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INDUSTRIAL ADVERTISING HANDBOOK

**By 14 national authorities
in the field of mass selling
to industry**

Compiled and edited by

JULIAN BOONE

**Sales Promotion Manager
*Power Magazine***

Make sure your industrial advertising dollars are buying *sales*—in the right way, at the right time, and in the right place. Here is a book specifically planned to help you do this job—a handbook prepared by experts, showing you how to take advantage of every resource of modern industrial advertising—giving you straightforward facts and methods in planning, preparation, and use of advertising.

The book is packed with information on all industrial advertising media available to you—how an advertising agency can help you, how to sell through trade and company publications, industrial shows and exhibits, direct mail, catalogues, sales promotion, etc.—with full details on the special functions of these resources, how they operate, and the results you can expect.

Other parts of the handbook cover methods of testing advertising, evaluating results, defining and measuring your market, and other related topics—all a part of the new, present-day development of industrial advertising as an important, integral part of your sales and marketing operations.

Comprehensive, factual, practical—prepared throughout by specialists in every field of industrial advertising—this book offers you new business-building opportunities—as a “text” for newcomers, or a refresher and reference for experienced industrial advertising people.

INDUSTRIAL ADVERTISING HANDBOOK

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PREFACE

Advertising directed to industry has come a long way in the last fifteen years. The progress is plain to be seen. Today there is not only a good deal more of it, but it is better advertising. It is written and laid out better and the research behind its copy is more thorough and extensive.

The result, of course, is that industrial advertising today is more useful and informative than it used to be, and so is more active and resultful. Moreover, the stature of industrial advertising, by which is meant the place it occupies in the minds of all those who have anything to do with advertising as a marketing force, has been considerably enhanced. There are several manifestations of this, and several reasons for it.

First is the vast expansion of our industrial economy. In 1952 and 1953, Americans are buying something like \$65 billion worth *more* goods than they did in 1939, figured at 1939 prices. This includes all the things they eat, wear, and use, from thumbtacks to turbines—from cheeseburgers to Cadillacs . . . as well as their schools, hospitals, and night clubs.

We are able to produce this much more largely because every industrial worker is helped along by about 40 per cent more electric power.

But what has this to do with the importance and improvement of industrial advertising? A great deal! We are a competitive society. Our standard of living moves higher as the goods to satisfy it are produced. And competitive selling is what stimulates the production of goods. An expanded industrial society not only results, at least in part, from competitive selling, but it *requires* sharp and intelligent selling to maintain its momentum. In short, the manufacturer of industrial products has had to intrigue the industrial buyer. He has done it partly by making his advertising more useful—more informa-

tive and attractive. This does not apply to publication advertising alone. It is equally true of direct mail, merchandising techniques, and sales promotion, including point-of-sale material.

When our industrial economy expands, big prizes are to be won by industries who match strides with its growth. And in our economy, the measure of progress is often the effectiveness of creative selling. As the importance of advertising in this kind of social organization becomes manifest, its quality improves through necessity, as a kind of commercial evolution.

The big reason, then, for the improvement and growth of industrial advertising is the growth of our industrial economy itself, of which better advertising is both a cause and a result.

Next in importance in the steady improvement is the entrance of the advertising agency as a factor in industrial advertising. This has been fairly recent. A decade ago only a few industrial publications allowed the customary 15 per cent agency commission. Today there are very few who do not.

Only a dozen years ago, publishers of industrial magazines maintained extensive creative staffs to write copy and make layouts for manufacturers who bought space in their publications. Today almost all this work is done by advertising agencies. Some agencies specialize in industrial accounts. Others have separate departments staffed by industrial advertising specialists.

The extent to which agencies have contributed toward improving industrial advertising can hardly be overstated. Putting the talent, experience, and effort of trained agency specialists into the industrial advertising picture has done more to improve its effectiveness than any other single force possibly could do. It is up to the agency to create advertising that proves instrumental in moving goods. Unless it delivers this service and demonstrates it, the agency cannot exist.

Bringing specialized and professional talent into the writing and presentation of industrial advertising has also caused big forward strides in marketing. By this we mean that agencies will devote effort and skill to market measurements, surveys, and copy testing in order to prepare and utilize an advertising program to the fullest extent. For the same reason the agency makes all possible uses of merchandising and promotion tie-ups.

There is still another active force behind the increasingly higher standard of industrial advertising. Advertising has been able to inter-

pret itself. By learning to define clearly its uses and objectives, it has learned to be more useful and to reach its objectives more efficiently.

This interpretation has been accomplished mostly by the media that carry industrial advertising—the magazines devoted to industry, business, and the professions. With the founding of the Audit Bureau of Circulations in 1914, the industrial advertiser began to get a reliable measurement, in numbers of readers, of what he was buying.

As soon as he learned definitely how *many* readers he was buying, he wanted to know who these readers were and how he could reach them in the most economical and effective way.

So the magazines themselves began to study their own readers—how and when they read and what they wanted to know about the products advertised in their pages. This was done to help the advertiser make his advertising more informative and useful. It was also done in order to improve the package which the magazine had to sell. If a magazine could show a prospective advertiser, in terms of *his* market and sales problem, exactly who its readers were and what he might accomplish through a certain program, the magazine would facilitate the sale of its advertising space.

In short, industrial advertising media found it necessary to explain and interpret the purpose and value of advertising, because the advertiser wanted to know more about what he was buying. And as the advertiser has come to understand and appreciate what he is buying, he has bought more of it.

The job of self-interpretation for industrial magazines is a continuing task. Studying the audience of readers and the best means to reach and influence it is a never-ending endeavor because the audience changes, and its needs, tastes, and desires change with it. This, however, is a healthy situation in publishing. For magazines, too, compete with each other. Their selling effort stimulates industrial selling in general, and this stimulates higher production.

Thus, magazines devoted to business and industry have undertaken a continuing and extensive research job in order to measure and explain the product they have to sell, which is advertising space in their pages. The results have contributed a great deal to the steady improvement of industrial advertising.

Among other things, they have learned that it is often possible to repeat a good advertisement with no loss of effectiveness or reader-

ship. They have measured the effectiveness of color, and they have found out something about what the size of an advertisement and its position have to do with readership. Most important, perhaps, is the progress magazines have made in defining the market they serve—the job functions and buying influences of their readers.

Surely one of the outstanding efforts is the Continuing Study of Business Papers by the Advertising Research Foundation (ARF), started in 1947. The Advertising Research Foundation, Inc., had been founded in 1936 by the Association of National Advertisers, Inc., and the American Association of Advertising Agencies. Its activities are not limited to any one medium or to the conduct of any one study, but it has for its objective the development of authenticated knowledge about a recognized advertising medium through objective and impartial research.

The purpose of the Continuing Study of Business Papers is to help advertisers and advertising agencies make more effective use of business papers and to aid publishers in evaluating and improving the editorial content of their publications.

To accomplish this, the study has been designed to determine the total potential audience of a typical issue of a specific publication as a whole, as well as the readership of individual advertisements and editorial items within the issue surveyed. It also provides detailed information about subscribers and readers, including “pass-along” circulation, purchasing influence, job classification, and similar data.

Aware of the need for more information about the audience and readership of business papers, The Associated Business Publications asked the Foundation in 1939 to consider undertaking such a study. Progress was interrupted by the war, but activity was resumed in the spring of 1945. In October, 1945, the Executive Committee of The Associated Business Publications approved resumption of the project and requested the Foundation to proceed with the study.

An Administrative Committee was appointed, and a statement of objectives for the Continuing Study of Business Papers was approved by the committee at the first postwar meeting, held Mar. 26, 1946.

The development of research and sampling techniques required more than two years of experimental research and an expenditure of \$37,500. The entire cost of this exploratory work, during which

two pilot studies were made, was paid by The Associated Business Publications.

The September, 1946, issue of *The Foundry* was selected for the first pilot study, and the April, 1947, issue of *Chemical Engineering* for the second.

As a result of testing various research methods in these two pilot studies, it was decided to adopt the use of a qualifying kit in addition to a regular recognition interview and to use selector cards to determine the purchasing influence of respondents. It was also decided that the basic sampling plan should be a systematic selection from the publication's subscription list.

By using a qualifying kit, the Continuing Study of Business Papers establishes proof of reading and in the same interview uses the regular recognition method to measure the readership of individual items.

Each interviewed person who claims to be a reader is shown a qualifying kit containing 10 editorial items from the surveyed issue and 10 editorial items which have never been published and which are not to be published until after completion of field work for the study. The respondent is asked to identify the items he remembers having seen. After completion of this preliminary examination, the respondent is shown an interviewing copy of the surveyed issue and is asked to point out the editorial items and advertisements which he remembers having seen or read. Tabulations are based on the responses of only those claimed readers who were able to identify more of the published items than the unpublished items in the qualifying kit examination.

The basic sampling plan for a typical study was a random selection of interviewing areas within which subscriber names were systematically chosen from the publication's circulation list. This selection was, in effect, a probability sample of subscriptions within a probability sample of interviewing areas, and thus represented a completely known probability sample. (In research terms, "probability" simply means that all subscriber names have an equal chance of being chosen.)

In this typical study, the United States—except the Mountain states, and North Dakota and South Dakota, to which 2.6 per cent of the circulation was delivered—was classified into 15 regions. One interviewing area was selected, on a probability basis, to represent

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In this typical study, the United States—except the Mountain states, and North Dakota and South Dakota, to which 2.6 per cent of the circulation was delivered—was classified into 15 regions. One interviewing area was selected, on a probability basis, to represent

each region. The purpose of using limited areas was to confine the field work and reduce interviewer travel to reasonable distances without too great a reduction of sampling efficiency.

The subscription list for each interviewing area was then stratified with regard to industry and home versus plant subscriptions. A random selection of names was then made for each subscription list. While a random selection leads to a considerable scattering of calls within each interviewing area, the resulting travel time does not appear excessive in relation to the long interview which this type of survey requires.

The number of readers within the interviewed sample is determined by subtracting from the total number of claimed readers those who were not qualified. The result is then converted into a percentage of the sample and this, in turn, is projected in like proportion to the publication's entire circulation. The answer is a partially, if not fully, deflated audience figure which includes only those persons who gave objective evidence of having read the issue within approximately 6 to 8 weeks after the publication date or receipt of issue by the subscriber. Differences in the publication's receipt dates in various parts of the nation were compensated for by staggering the interviewing dates to correspond with the publication's mailing schedule. A table showing the percentage of claimed readers who were qualified and who failed to qualify is presented for the benefit of users of the report.

Audience figures, in the ARF studies, are intended to represent the total number of readers of the measured issue. Except for the variables which affect issue-by-issue reading, the measured audience may be considered as typical for the publication. The readership of each item is presented as a percentage of the total number of readers of the issue. These percentages are based on the reading claims of those who were qualified as readers of the issue.

It might be worth while to repeat that the ARF studies achieve objectivity for two main reasons: (1) a qualifying kit is used to eliminate the reading claims of those who do not qualify as readers, and (2) a survey sample is designed to obtain a cross section of all readers. Perhaps more than any other survey method, the ARF studies take the "blue sky" entirely out of circulation and readership claims once held valid by some publishers.

In its annual report for the fiscal year ending June 1, 1952, the National Industrial Advertisers Association gave a brief summary of its newly formed Industrial Advertising Research Institute.

"There never has been, in the whole history of NIAA, a project of such magnitude and potentiality, nor one which has aroused such a high pitch of interest and anticipation. . . . The NIAA Industrial Advertising Research Institute will, without question, be productive of extremely valuable benefits to all of our membership and will contribute greatly to the advancement of industrial advertising techniques," said this report in part.

At the time of this writing, NIAA's Research Institute had not yet formulated a definite procedure. However, it had made substantial progress. Its governing structure has been formed, and a managing director chosen and put on the job. More important, it has enlisted more than 300 subscribers to the Institute.

Briefly, the organization of the NIAA Research Institute will be headed by a Board of Trustees, under which will work a Treasurer and a Managing Director and a Technical Advisory Council. Under the Managing Director's leadership will be six councils—membership, publications, liaison, and finance, and two additional councils for specific projects.

Quoting from the Institute's "Progress Report" for Oct. 7, 1952:

"An example of procedure might be as follows:

"A member of the Institute or a committee of NIAA presents a research problem. It gets to the Managing Director who, after study, decides it is worthy of serious consideration and some effort by the Institute. If he reaches that conclusion on his own, he submits the idea to the Trustees, or if he's not sure of himself he checks with the Technical Advisory Council first. He submits it as a plan that might be a recommendation to turn the job over to an outside agency or it might be a plan that includes the formation of a Project Council that will either give further study to the proposed research or, as a group, will implement and complete the research project. After the study is finished, either by an outside agency or as a cooperated member study, the results would go to the Publications Council for format planning and distribution suggestions. It then goes back to the Managing Director who finally gets approval from the Board of Trustees to act . . . get it printed and distributed."

As industrial advertising in general learns how to measure and interpret itself, its value increases and its share of the total advertising expenditure will inevitably increase. As we learn to present demonstrable facts, the old clichés fade and lose their questionable charm, and phrases like "weight of prestige," "multiple impressions," "cumulative impact," and "unilateral penetration" will be replaced by shorter words that have meaning. As advertising becomes more realistic, the nebulous and unmeasurable values once claimed for it will be forgotten. And this is good for industrial advertising.

Several colleges have devised new courses in industrial advertising in the past few years. Other schools which have confined their advertising instruction to general marketing courses have put new emphasis on the industrial side of the picture. It is safe to say that 10 years ago there was not a fraction of the academic interest so apparent today in this subject. One large publisher of industrial magazines produced a slide film illustrating the functions of industrial advertising, and quickly sold 60 prints of the film to colleges. The editor of this film says that in his opinion he would not have received a single inquiry from colleges 15 years ago.

With industrial advertising now making such definite forward strides in technique, usefulness, and influence, it is hoped that this volume will prove of value to young people entering the field. Perhaps it will also find usefulness as a reference work for those already engaged in creating advertising for industrial products. With these two purposes in mind, it has been written and edited with as much factual and practical information, and as little "blue sky," as possible.

JULIAN BOONE

New York, N.Y.
January, 1953

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Chapter 1: INTRODUCTION TO INDUSTRIAL ADVERTISING

by William K. Beard, Jr.

PRESIDENT, ASSOCIATED
BUSINESS PUBLICATIONS

Industrial advertising is characterized mainly by its approach to selective markets. All advertising is aimed at individuals. If we take an objective look at one individual who reads advertising and buys the products he reads about, I think the biggest difference between industrial and consumer advertising will become clear. Tom Jones, who has a good job as superintendent in a textile manufacturing company, is a prospect for the things advertised in many consumer media. As such, he is an individual who buys one toothbrush for 65 cents, one pair of shoes for \$20, one station wagon for \$2,500. But as a prospect for the products advertised in the business paper serving his industry, he may have a hand in buying hundreds of thousands of dollars' worth of equipment and raw material for use in his textile mills.

Consumer advertising, of course, can be selective too, in that it often seeks out men or women, gardeners or camera addicts, etc. But it is aimed at them as individual purchasers of goods for their own or their family's immediate needs.

Industrial advertising directs its selling at men who purchase for industry. It is aimed at separate and distinct groups of people. *Who* the people are in each separate group depends upon their *jobs*. All of us are divided into groups of one kind or another, depending on what we do for a living. The very first thing you decide in any industrial advertising effort is who the people are who can use your product to advantage in their daily work. In most cases, of course, this has long ago been established.

If you were to participate in an advertising effort to promote the sale of, say, power transformers, you would already be clearly aware that you should aim your message at men involved in the transmission of high-voltage electric energy; and you would waste no time on those whose interests involve weaving yarn, or canning peaches, or operating a bus line.

To be sure, industrial advertising is often called upon to exert its force toward jobs other than presenting and selling a product. Frequently it is employed to define company policy, take a hand in community or labor relations, promote safety, or a host of similar objectives.

By and large, though, the principal objective of industrial advertising is to present a product to the people who use it in their work; and this brings us to the second most important fundamental that must be considered in a book on industrial advertising.

Advertising to industry is not a separate entity that exists by and for itself. It is an instrument of the selling process subordinated to selling and a part (a most important part) of the selling organization and effort of the company using it. The complete and total reason for the existence of industrial advertising is to "lubricate" the sale of a product and build acceptance of the company that makes it. If this sounds repetitive it is because I feel that this fact can stand some emphasis.

Every industrial company that has a product to sell employs salesmen to sell it. (Firms who do all their trade through direct mail are rare in industrial fields.) Every salesman knows that it is easier to sell a product which is already familiar to his prospect than it is to confront him, explain, and interpret to him a device or system with which he is altogether unfamiliar.

Seen in this light, the role of industrial advertising becomes clear.

There are definite steps in the process of making a sale, and when certain of these steps are taken by advertising, the salesman is able to cover more ground, make more calls, and concentrate his efforts where they will produce the most results, at least cost.

This increases the efficiency of the sales staff and, in the end, contributes to the ultimate objective of any business—larger possibilities for a stable and continuing profit.

Where does the ultimate answer to the problem of profit lie? Usually in better methods of manufacturing and distribution. Ameri-

can industry has always been able to solve the manufacturing phase of this problem through increasing its investment in mechanized equipment which brings about higher production and lower unit cost. Mechanization multiplies man's productive power. The farmer cultivates more land with a tractor than he did with a team and plowshare. The trucker hauls more with today's great high-speed tractor-trailer units. The machinist steps up his productive capacity with a modern power lathe. And this, of course, is why management is constantly working to give its workers more and better tools. The better the tools, the less it costs to manufacture, *per unit*.

We see, then, that when the problem or the opportunity for increased profits lies in *production*, it's up to the *methods engineers* to determine the answer. In order to reduce the unit cost of production, methods engineers constantly study and analyze each step in every operation with the express purpose of placing a larger portion of the total manufacturing load on machines instead of hand labor. They break down every job, analyze each component part and process, and utilize as high a ratio of automatic equipment per employee as is feasible in order to obtain a higher degree of speed, precision, and lower unit cost.

This brings us again to what we said a few paragraphs back. Industrial advertising is not a separate consideration or effort or end in itself. It is an inseparable part of the selling process.

The same techniques that lower the cost of *manufacturing* a product can usually be applied to selling it. Through advertising we can *mechanize* our selling, and thus lower the unit cost per sale. For there is a definite parallel between manufacturing and selling. In manufacturing there is a constant search for better production methods, and in selling there is a similar search for more effective selling procedures. In manufacturing there is a constantly increasing investment in high-speed machinery, and in selling the ratio of investment goes up in automatic high-speed selling tools, *i.e.*, advertising. One seeks to *manufacture* a product at lower unit cost; the other seeks to *sell* the product at lower unit cost. *Both* are trying to produce a higher net profit.

Now let us see how and why we can look at industrial advertising as a mechanical tool to speed up the selling process.

A prospective buyer of any product wants to know *what* the product is, *why* he needs it, and *what it will do for him*. Those are the

basic questions. But before he finally buys, he usually learns the answer to a lot more questions. Who makes it? Where and when can I buy it? What are its component parts? How much does it cost? How do I order it (size, type, model, etc.)? How do I install, operate, and maintain it? How long will it last? Are parts available? Why should I buy it from your company and not Joe Brown's firm?

Advertising is the most economical means of reaching the prospect and telling him the answers to many of these questions *before* your salesman calls on him. This saves a salesman's time and his time is expensive.

Let's take a brief look at a salesman's working time: After deducting Saturdays, Sundays, holidays, and a two-week vacation period, 244 "working days" per year remain. These, multiplied by 8 hours per day, equal 1,952 hours per year of working time available to one salesman. Surveys indicate (and this estimate is on the conservative side) that the average industrial salesman spends about 50 per cent of his time with customers and prospects, 38 per cent of his time traveling and waiting for interviews, and 12 per cent on reports, office work, etc. This leaves 976 hours for actual selling.

The industrial salesman is assigned approximately 500 customers and prospects. So, *if* he called on all his accounts twice a year he could spend just *one hour* with each company. Now, there are three persons in each company who should be contacted. This allows *20 minutes per person* in his *one hour per company*, twice a year. Think of it! Not much time per customer, is it?

The salesman is the skilled worker, the specialist—the most important and at the same time the most expensive factor in your selling program. His value to you and to himself lies in his ability to provide the "personal touch" between your firm and the prospective customer, to meet and overcome specific selling obstacles, to apply your product to the customer's specific selling obstacles, to apply your product to the customer's specific needs and problems, and, finally, to *close the order*.

It is easy to see that if the salesman is to use his ability to the best advantage, he cannot afford to spend his valuable time in doing the dozen and one chores which can be performed so much more economically by advertising.

But when advertising is performing its important jobs, it is putting *mechanization* into the process of selling, and the salesman *can* con-

concentrate a great deal more of his valuable and limited working time on the jobs that he alone can do. The end result is lowered unit cost per sale.

Look at the chart in Fig. 1-1.

Suppose a manufacturer wants to reach 20,000 potential prospects with his story.

	1 CALL	4 CALLS
He can make one call on 20,000 prospects with salesmen for \$60,000.	\$60,000	
*He can make four calls (one each month for 4 months) on more than 20,000 prospects—with informative spreads in the leading business publication—for \$2,500.		\$2,500
*He can supplement each of these business paper selling messages with proof mailings in bulletin form to 20,000 prospects for \$8,000.		\$8,000
Totals	\$60,000	\$10,500

**These high speed, low cost selling tools cannot take the place of salesmen—they can make his selling time more productive!*

—by pre-selling the prospect on the quality and user benefit of the product

Figure 1-1

Now let us see exactly how advertising is used as a tool to “mechanize” the process of selling. As shown in the chart in Fig. 1-2, there are five steps in making a sale:

1. *Make contact.* See all the men who directly or indirectly control the buying.
2. *Arouse interest*—in your product.
3. *Create a preference*—for your product. In industry this often means creating a willingness to test your product or give it a tryout.
4. *Specific proposal.* Size, shape, color, quantity, delivery date, etc.—all the facts to be considered in applying your product to the prospect’s needs.
5. *Close the order.*

When your advertising is performing its function, it takes steps 1, 2, and 3. Then your salesman can concentrate on steps 4 and 5. He devotes his time and efforts to the two steps he alone can perform. He covers more ground, uses his valuable time to better advantage.

And there is even a *sixth step*—*Keeping the customer sold*. Advertising and personal selling go hand in hand on this job.

I want to make it clear that this concept of industrial advertising—the “mechanized selling” concept¹—is not original with me, nor is it anything new. I include it in this opening chapter because I believe that the only sound premise on which to base advertising is to put

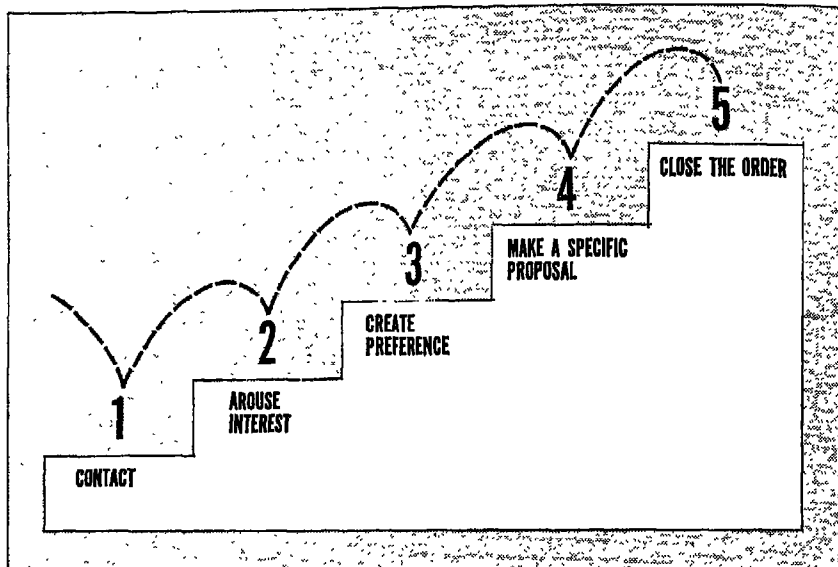


Figure 1-2

it to work as an efficient member of the sales team and therefore the concept is the starting point in any consideration of industrial advertising principles.

When you take the “methods engineer” approach to the manufacture of a sale, you are raising your advertising sights far above such sweeping generalities as “increasing prestige” or “improving product acceptance.” You are giving advertising specific functions to perform. You are making your advertising an integral part of the sales operation, a more important voice at the management table, an investment in economy for the cost-conscious executive. For, when

¹ Material for the explanation of “mechanized selling” has been liberally drawn from booklets issued by the McGraw-Hill Publishing Company, for which I am sincerely grateful. AUTHOR.

efficiently applied, advertising is not an item of expense. It is a method of performing certain operations in the manufacture of a sale, more *quickly* and *at lower cost*. It is not something to be turned on and off with the shifting tides of business. There is no economy in liquidating a cost-saving piece of automatic machinery, either in production or selling.

The many other facets of industrial advertising are presented in later chapters: copy, budget, media, etc. The place of industrial advertising in the whole sales and economic structure is constantly becoming larger and more important.

Industrial advertising has been somewhat slower in "maturing" than some other forms of advertising, and it is only in the last decade or so that its true function as a sales instrument has begun to get the appreciation it deserves. We are not entirely out of the woods yet, but every year sees industrial advertising grow in stature. One thing is sure: Whatever progress it makes in establishing and holding its rightful position in American business will have to be earned by itself—the hard way, through performance. Textbooks such as this, organizations, clinics, and conventions all contribute their bit. But the establishment of industrial advertising in the place where it belongs can come only from writing, producing, and placing it more effectively.

Since we have learned that industrial advertising works hardest when it gives helpful information to the man on the job, we have begun to write useful and informative copy. Giving an engineer, a master baker, or a skilled mechanic information to help him in his work is not easy. It takes alert and tireless digging. And we've discovered that field work is necessary: Before you write an ad about a product it's a fine idea to get out of the office and talk to some of the men you expect to read the advertisement, to find out what they'd like to know about your product. Basic and obvious as it seems, this is the most effective method yet discovered for turning out resultful industrial advertising, and it is still practiced by too few copy writers and account executives.

But the more we do it, the more headway we make in bringing our advertising into the daily working needs of the men who buy and use our products. And in this way we bring industrial advertising closer to the position it should logically hold—the foundation on which every well-organized and productive selling effort is built.

Chapter 2: ADVERTISING AGENCIES

by Roger Barton

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THE AGENCY AND INDUSTRIAL ADVERTISING

What Is an Agency? An advertising agency is an organization of specialists whose prime purpose is to assist manufacturers in the preparation and placing of advertising. Some also work for service companies and retailers. There are approximately 3,000 advertising agencies¹ in the United States, ranging in size from one that employs 3,000 persons to the one-man agency, and ranging in the cost of advertising handled from \$140 million to almost any amount that will serve as the basis for a profitable operation. The average agency has approximately 10 persons.

Growth of Agency Interest. An important development in industrial advertising over the past ~~10~~ ^{10 to 15} years has been the growing interest in this kind of advertising on the part of advertising agencies. Agencies have placed an increasingly larger volume of industrial advertising in business publications. The publications, as well, have come to recognize the new position of the advertising agency in the industrial field, and more of them have allowed agencies the 15 per cent commission on space and the 2 per cent cash discount for prompt payment of bills. This recognition has seldom been accorded, however, until a preponderant share of advertising volume has come through agencies.)

One large group of business publications estimates that between 1929 and 1952 agency billings for space placed in its papers and magazines increased from 56 per cent to almost 97 per cent of total

¹ The "Standard Advertising Register" lists 3,000 recognized agencies in 1952. The 1948 U.S. Census of Business listed 3,279 advertising agencies.

space used. Another company that publishes 10 business magazines estimates that comparable percentages are 60 per cent and 90 per cent.

Another index of the increasing importance of the agency is the lesser importance of the publications' own advertising departments devoted to helping advertisers with copy and layouts. A half-dozen years ago one publishing company had a large staff to write advertisements for advertisers who had no agencies. Now it employs only two persons in such work. Another publishing company did approximately four times as much such work for each publication 20 years ago as it does now.

A tabulation by *Industrial Marketing* shows that 454 agencies placed 415,897 pages of advertising in business papers during 1951.² This may approximate 80 per cent of total space placed by agencies.³

Growth of Publications' Interest. Growth of the publications' interest in the agencies is indicated by their present general acceptance of agency commission and cash discount. Great progress has been made in the last half-dozen years. According to the American Association of Advertising Agencies, 95 per cent of all business publications allowed agencies the 15 per cent commission on space as of October, 1952, compared with 67 per cent that allowed it as of December, 1943. The business publications included in the estimate are those listed in "Standard Rate & Data Service," exclusive of catalogues and directories.

This record of agencies in contributing to industrial advertising was made in spite of the fact that many large industrial advertisers maintain advertising departments. However, they have come to use agencies not only for publication advertising, but also in preparing sales promotional material, stockholders' reports, service manuals, catalogues, and presentations.)

Differences between Consumer and Industrial Advertising. Basic differences between industrial and consumer advertising affect the work of general agencies handling both kinds of accounts or that of the agency specializing in industrial business.)

² *Industrial Marketing*, vol. 37, No. 4, April, 1952, p. 41.

³ Walter Seiler, How Agencies Can Help Industrial Advertisers, *Advertising Agency*, vol. 42, No. 10, October, 1949, p. 62.

1. Cost of space. A page in *The Saturday Evening Post*, in black and white, costs \$14,670. The agency commission on this space, at 15 per cent, is \$2,200.50. The chances are that this advertisement will be run not only in *The Saturday Evening Post*, but also in other general or consumer magazines, and the advertising agency will receive 15 per cent commission on the cost of the space in each publication.

A page in *American Machinist*, which is an industrial publication, costs only \$500, however. The agency commission would be \$75, and it is possible that the advertisement would be run in no publication other than this, and that a good deal more copy-writing time and an equal amount of skill would be necessary to produce the advertisement.

2. Difference in appeal. The consumer advertisement may appeal to most of the readers of a general publication. This means that it must interest a rather large section of the general public, for the circulations of general magazines reach into the millions. Hence the writer of consumer advertisements must know consumer motivation and the selection of proper advertising appeals, in addition to knowing his product. The writer of the industrial advertisement for manual starters for a-c or d-c motor control, for example, must be technically correct, and must obviously have a penchant for mechanical details. He is addressing himself to a special audience of factory men and hence need not use encompassing human-interest appeals. But he must use the appeals that influence technical men. Perhaps he stresses dependable action, positive protection, or similar buying appeals.

3. Variety of work. There is a variety in the work on an industrial account that is also distinctive, and it is work that is not commissionable. Advertising must be followed by direct mail; sales bulletins and reprints of advertisements are also used to support publication advertising. Service manuals and catalogues are needed to give specifications, capacities, sizes, and weights, to discuss maintenance questions, and to provide other information.

Scope of the Industrial Agency. (The industrial agency, or the agency with an industrial department, must be prepared to render special types of service.

1. *Market studies.* The agency must help its clients to determine markets and buyers, and to select the proper industrial classifications in which a product can be exploited. It is also necessary to determine the types of men in each industry who are influential in purchasing.

2. *Media studies.* The agency must be prepared to help its clients reach and influence potential buyers through the proper selection of advertising media. There are two general types of media for industrial advertising: publications and direct advertising.

3. *Appeals and techniques.* Appeals of industrial copy are efficiency, quality, economy, speed, strength, increased profits, and so on. How to work these appeals into headlines and expand them into text, how long to make the text, how and why to solicit inquiries are important copy considerations for the industrial agency.

4. *Objectives.* Agencies help clients in planning advertising campaigns, defining objectives, and coordinating elements to achieve these objectives.

5. *Special Abilities Required.* The agency must produce specific and factual copy if it is to be effective in interesting potential buyers of industrial products. These advertisements must be illustrated with authentic, on-the-job art or photographs which portray the product or its advantages with dramatic interest.

6. *Special Staff Required.* Just as specialists are required for editing publications covering industrial fields, so specialists are needed to write industrial advertising copy.

Writing industrial copy is not done best when assigned to beginners whose only qualification is their lack of ability to produce copy for big consumer accounts. Ideally, the industrial copy writer has an engineering training, has had experience in the industrial field in which he is writing, and is talented and experienced as a copy writer.

HISTORY OF THE AGENCY BUSINESS

Early Development. Hower⁴ divided early agencies into four stages of development: (1) the newspaper agency, (2) the space jobber, (3) the space wholesaler, (4) the advertising concession agency. These stages overlapped. The first advertising agent was Volney B. Palmer,

⁴ Ralph M. Hower, "The History of an Advertising Agency: N. W. Ayer & Son at Work, 1869-1949," Harvard University Press, Cambridge, Mass., 1949.

of Philadelphia, who is said to have begun his agency in 1841. His was the newspaper agency. He recognized publishers as his principals, solicited orders in their behalf for advertising, and collected payments from the advertiser. For his services to the publishers he deducted 25 per cent of the money paid by advertisers. The newspaper agency was apparently the source of a commission on advertising placed by agencies.

In the space-jobbing stage, the agent became an independent middleman. He sold white space to advertisers and bought enough from newspapers to fill his orders. He ceased to be an agent for the publisher, and became instead a jobber working for his own profit. However, he continued to receive commission from the publishers, because they believed that advertising coming from the agent involved less credit risk and less trouble generally than that directly from the advertiser. They also thought the agent's work in promoting the use of advertising was good for the publishers. This point of view is still held by publishers and is the basis for the 15 per cent commission which comprises three-quarters of all agency income.

The third stage in the development of the agency was initiated in 1865 by George P. Rowell of Boston. This was the phase of space wholesaling, in which the agent bought large quantities of space and resold it to advertisers in smaller lots.

The fourth stage mentioned by Hower is the advertising concession agency. It began about 1867 when various agencies began to take over the management of the entire advertising space of certain publications.

Modern Agencies. After the fourth stage the modern advertising agency began to emerge. It continued to receive commission from the publications because they thought the agency assumed credit risks, stimulated more advertising, and produced better advertising that was easier to handle. The agency came to regard the advertiser as its client, however, because the agency was actually performing work for the advertiser, *i.e.*, planning campaigns, creating copy, headlines, layout, selecting media, testing advertisements, and doing many other jobs. (Moreover, staying in business depended upon the good will of the advertiser rather than the publisher.)

The publisher could not, himself, create advertising for competing advertisers. Moreover, manufacturers and other advertisers found that they could not prepare their own advertising most efficiently. Such work required special talent, which they were not always able to maintain; they also found that an outside, impartial point of view, such as they found in the agency, was more effective in promoting their goods.

Links with the Past. The two outstanding aspects of agency business that are characteristic and obvious links with the past are the 15 per cent commission and the fact that, while the agency actually works for the advertiser and calls him the client, the agency is paid not by the client but by the media. A substantial amount of industrial advertising is placed in publications that have such low space rates that the 15 per cent commission is not adequate compensation for the agency, so that various fee arrangements and special charges are worked out between manufacturer and agency to provide adequate compensation.

HOW THE AGENCY IS PAID FOR ITS SERVICES

Commission Method. The American Association of Advertising Agencies estimates that about three-fourths of agency income is derived from media commissions.⁵ An exception to the 15 per cent rate of agency commission is in the field of outdoor advertising, where the rate of 16 $\frac{2}{3}$ per cent is customary. As recently as 1932 several newspapers, including the *New York Times*, still allowed 10 per cent; the *Washington Star* allowed 12 per cent; and the *Newark News*, 13 per cent. In the early 1930s these papers went to 15 per cent, and today every daily newspaper, and almost every weekly, allows 15 per cent commission to recognized agencies.⁶ Agency commission in the newspaper field applies to national advertising. Local advertising (advertising by a department store or local retailer, for example) by and large has never been commissionable, because most of this advertising is prepared by the store for which it appears.

Magazines and farm papers paid from 10 to 13 per cent up to

⁵ Frederic R. Gamble, *How the Advertising Agency Is Organized and What It Does*, a section in "Advertising Handbook," ed., Roger Barton, Prentice-Hall, Inc., New York, 1950, p. 874.

⁶ Frederic R. Gamble, "More Than Hands across the Sea," address, May 24, 1950, before Institute of Incorporated Practitioners in Advertising, London.

1915. Thereafter, they also adopted 15 per cent, plus a 2 per cent cash discount for prompt payment. Today 99 per cent of all magazines and farm papers allow the 15 per cent and more than 98 per cent of independent radio stations and all the networks also allow the commission. Radio stations more often allow the agency commission on retail advertising than do newspapers; this is because advertisers often need agency aid in radio advertising. Television adopted the 15 per cent commission from the start.

Business papers began to realize in the early 1920s that copy prepared by agencies was more effective than that prepared for clients by the papers or by the clients themselves. Ninety per cent of all business publications allow commission to agencies today. The 15 per cent commission is allowed in all cases, except fewer than 100, where the commission is 10 or 12 per cent.⁷

Cash Discount. In addition to the 15 per cent commission on publication space and radio time, the agency is often given a 2 per cent cash discount on the net bill (gross billing for space less the 15 per cent commission) if it pays the publication or station on time. In some cases publications require payment within 10 days of invoice date or, in the case of newspapers, by the tenth of the month following publication. This discount is regularly passed along to the advertiser by the agency. This serves as a stimulus for the advertiser to pay the agency on time. Such a stimulus is necessary because there are two collections involved, from advertiser to agency and from agency to medium, and because these collections must be completed within an average of 15 days compared with 30 days for the average mercantile transaction.

Service Charge on Materials Bought. Advertising agencies also collect 15 per cent (or other percentage arrived at by agency and client) on materials and services bought for their clients. Thus they collect such a service charge on the cost of art work purchased, radio talent, printing, and other items. They also collect fees for special services.

How the Commission Works. As an example of how the commission, cash discount, and service charges operate, take a case where an agency bought for the advertiser a \$1,000 space in a magazine. It also cost \$100 to buy certain art work in connection with the

⁷ *Ibid.*

advertisement. The magazine bills the agency for \$850 (which is \$1,000 less 15 per cent). It allows 2 per cent of this \$850 if the bill is paid on time; this is the cash discount. The agency immediately pays the magazine publisher \$833. It bills the advertiser for \$983, which is the full rate of \$1,000 less the 2 per cent cash discount, and the advertiser pays this amount to the agency. The agency also bills the advertiser for \$115, which is the cost of the art work plus the 15 per cent handling charge. The agency's total compensation consists then, of \$165—the 15 per cent commission on space plus \$15 (the 15 per cent charge on handling the art work).

How Much Is Profit. The president of the American Association of Advertising Agencies, Frederic R. Gamble, has explained how much of the agency's income is profit.⁸ He said that 18 or 20 years ago some large advertisers in the United States revealed a serious misunderstanding. They believed that the agency paid all its expenses out of what it charged on materials and services and that the 15 per cent commission from media was clear profit. Mr. Gamble explained:

All advertising people know that this is *not* true.

The Annual A.A.A.A. Analyses of Costs show that agency profits are really quite small, averaging roughly, in good years, about 8 per cent of the agency's gross income (gross income includes the 15 per cent commission from media, plus all other charges), or approximately 1.2 per cent of the total billing.

Where does the rest of the agency's income go? Seventy per cent on the average goes for people (for brains); 16 per cent for rent, travel, entertainment, telegraph, supplies, taxes and insurance; 6 per cent for the agency's own advertising, depreciation, legal fees, and all other expenses. When you add that up, the average agency makes a net profit of only 8 per cent on its gross income.

Fee Method. Another system of agency compensation is based upon the fee system. Under this method the advertiser pays the agency a fixed sum, or fee, for his services. Commission received for space and time is usually credited to the advertiser up to the amount of the fee. Since discounts in excess of the fee cannot be given to the advertiser without putting the agency in the position of rebating commissions, this surplus is kept by the agency for general use or put into a fund for special service to the advertiser. If no amount is guaranteed by the client, the agency may take whatever commis-

⁸ *Ibid.*

sions develop from the advertising it places and may charge the client extra for noncommissionable work.

The fee system is often used by agencies handling industrial accounts, because it enables them to do the professional and detailed work that such accounts often demand but which may not be paid for adequately by the 15 per cent commission on the small volume of billing that characterizes most industrial advertising.

Arguments on Commission System. The chief argument in favor of the commission system is that by and large it works. The rate of compensation is not excessive for the agency structure as a whole, as Mr. Gamble has indicated. The commission system rewards the agency in proportion to the use made of its creative work, and hence encourages the agency to develop the best possible advertising. This system is also a safeguard against price cutting and the inferior creative service that may result from price cutting. Objections to the commission system are that sometimes it results in overpayment or underpayment of the agency. It is also believed by some to prejudice the agency in favor of more expensive media. The factor that regulates service to advertisers, however, is the competition among agencies for accounts. Any agency that does not give its client a full measure of service is likely to lose its account to some agency that promises more.

Arguments on Fee Method. While the fee method is theoretically fairer, in that it results in compensation comparable to the service rendered, it has some disadvantages. It is admittedly difficult to determine the correct amount of the fee, largely because it is hard to put a price on personal service. The fee system gives rise to frequent discussions with clients on price of services. The fee is generally arrived at through experience, common sense, and discussions with the client.

Recognition of Agencies. An agency is not allowed the 15 per cent commission unless it satisfies the individual advertising medium or an association of media on certain points. When the media are satisfied on these points they are said to "recognize" an agency. The bases of recognition differ, but these are some of the points generally stressed:

1. The agency must keep all commissions; that is, it must not rebate any of the commissions to clients.
2. The agency must maintain adequate personnel of sufficient ability and experience to provide service to advertisers.
3. The agency must have the financial capacity to meet the obligations it incurs to media owners.
4. The agency must be free of control by an advertiser or by an advertising medium.

Sometimes agencies are required to place at least a minimum amount of advertising in media from whom recognition and commission are sought.

Recognition Bodies. The chief associations that grant recognition to agencies are the American Newspaper Publishers Association, the Periodical Publishers Association (for magazines), the Agricultural Publishers Association, and the Associated Business Publications. The National Association of Radio and Television Broadcasters does not grant recognition, so that radio and television stations and networks must handle such matters for themselves or be guided by the recognitions granted by other media groups.

Basic Principles. Certain basic principles in relationships between agencies and media are set forth in "The Structure of the Advertising Agency Business," published by the American Association of Advertising Agencies in 1947. They include the following points, among others:

1. The agency is solely liable to the publisher for the advertising it orders for the advertiser. It contracts in its own name. If the advertiser fails to pay the agency, it is the agency's loss.
2. The agency agrees that it will not rebate to its client any part of the commission allowed by the medium.
3. The medium shall not discriminate among agencies in respect to rates.
4. Advertising shall be subject to approval by the medium, but the latter can make no change without consent of the agency.

AGENCY SERVICES AND HOW THEY ARE RENDERED

Choosing an Agency. Before choosing an agency, an advertiser generally does a good deal of study on the right kind of agency for his purposes. One agency that handles many large industrial accounts

has itself suggested the following major points among a list of 46 for the client to consider in respect to his prospective agency: ⁹

1. *Experience.* What accounts agency handles; pertinent personal business experience of agency members; what has agency done to improve standards of agency service?
2. *Size.* Volume of billing; personnel employed; number of accounts; number of creative personnel; how does agency rank in size with other agencies; number of branch offices; how long has agency been in business?
3. *Service.* Who is primarily responsible for servicing the account; who else in agency would work on account; who will write trade-paper copy; what is agency policy in regard to producing direct mail, sales literature, sales manuals, catalogues, merchandising portfolios, dealer advertisements, promotional plans, sales films?
4. *Operation.* To what extent is agency departmentalized; to what extent are principals active in servicing accounts; how many new accounts have been secured in last 3 years; who in agency would form the service group?

The agency that listed these points is a large departmentalized agency. There are often advantages in a small agency which a large agency cannot give. For one thing, a large agency cannot handle a small account economically, and one agency even refuses to accept accounts billing less than \$250,000 annually. Another aspect of the small agency is the personal, intimate service the account may receive from an agency principal or from the head of the agency itself.

Agency Contract. After the agency is selected by the advertiser, an agency-client contract may be executed. A counsel for a number of advertising agencies recommends that these items ¹⁰ among others be included in the agreement:

1. Scope of service to be rendered by agency; itemization of services.
2. Term of contract, if it is a definite one.
3. Whether contract is to be renewed automatically for consecutive specific periods.

⁹ Ed., Roger Barton, "Advertising Handbook," Prentice-Hall, Inc., New York, 1950, p. 882.

¹⁰ Morton J. Simon, What to Include in the Agency-Client Contract, *Advertising & Selling*, vol. 41, No. 11, November, 1948, p. 56.

4. How contract should be terminated and rights of agency in that event.
5. Statement of basis for compensation, whether commission, fixed fee, special charge, or any combination of the three.
6. What control and right of supervision client should have over work.

Planning. Planning is the operation in which the agency devises strategy and tactics, long-range operations and individual campaigns. Sometimes this planning is done by an over-all agency plans board, on which are represented key personnel such as the head of the agency, the vice-presidents in charge of copy, art, media, research, and other key personnel. Sometimes there is a plans board for the individual account, composed of top persons who work on that account.)

In the plan, the agency may make recommendations in regard to some or all of the following matters:

1. Is the product or service right? Are there changes that need to be made in regard to price, package, or the product itself?
2. Who are the potential buyers? How numerous are they? Where do they live and work? What are their general buying habits? What products are they now using?
3. Through what media can these buyers best be reached? When is the best time to reach them?
4. What is the main objective of the campaign? What are its secondary objectives?
5. What are the best appeals to use and how should they be presented?
6. How should the campaign be tied in with the salesmen, dealers, and distributors, and what attention should be given to competitors' advertising?

Budgeting. Part of planning is to help the client determine his advertising appropriation. Setting the advertising budget is usually a joint effort between agency and advertising manager.) In recent years there is an increasing tendency to use the *task* method, rather than to set aside merely some fixed percentage of sales or to use other arbitrary

methods.¹¹ The task method is based upon an estimate of the job to be done, and while it uses past advertising experience, it never accepts such experience without examination of the nature of the task and the most promising way of accomplishing it in the year under consideration.¹²

Markets and Market Research. The advertising plan is based on facts relating to markets and media. Information on markets may be supplied by the agency's market research department, which is often headed by a research director or sometimes a vice-president, and includes various analysts, field investigators, and statistical clerks and librarians, depending on the size of the agency. Sometimes the agency employs outside market-research firms.)

Considerable research must be done when the agency first agrees to work for the client, for it is necessary to become fully acquainted with the advertiser's history, needs, and potentials.

(In industrial advertising, research helps determine for a particular product who its buyers are and where they are located. It may be necessary to study industrial classifications, to determine what industry is the best market for a product. Then it is necessary to study the personnel in that industry to determine who are the best potential buyers. Are they suppliers of raw materials, purchasing agents, proprietors and corporate officials, works managers, foremen, distributors, dealers, or others?

Where are these buyers situated? Are they in certain areas of the country, or scattered? Are they in communities of certain size, and, if so, which communities? These and similar questions must be answered by market research.

Media and Media Research. The media department may consist of a media director, sometimes a vice-president, and various space buyers.) In a large agency, space buyers may have definite assignments, as space buyer for newspapers or space buyer for magazines. There may also be radio and television time buyers, and media analysts.

¹¹ Refer to Budget Survey Committee, National Industrial Advertisers Association, New York, "Advertising Budget Method: Case History I," 1948, "Case History II," 1949, and "Case History III," 1950. See also "1950 Budget Survey" and "1952 Budget Survey."

¹² Charles G. Mortimer, Jr., *Best Methods of Fixing Budgets, Advertising Agency*, vol. 42, No. 5, May, 1949, p. 54.

The media department of the industrial agency should know relative values of technical publications, know the fields they cover, and the individuals they reach. Of course, it receives much valuable information from studies prepared by individual media and their associations. It should know the size of space and frequency of insertion that has proved most effective. One way that industrial agencies find it possible to render economical service to clients is to repeat advertisements. A survey in 1949 of practices of 55 agencies indicated that repetition of advertisements resulted in savings in production costs and consequent increased flexibility in coverage without larger budgets.¹³

Copy and Copy Research. The most important function of the agency is the production of effective advertising copy, both publication copy and direct mail in the case of industrial accounts. Copy presents the sales message that will be directed toward buying prospects through advertising channels or media. The special qualifications of industrial writers are set forth by Seiler:¹⁴

An industrial agency has a staff of trained and experienced technical writers who have entree to plants where the product to be advertised is used and the ability to secure actual on-the-spot performance data stories. These writers know how to present this material in advertisements and sales literature in a way that will catch the attention, command an interest, and influence the sale of the product among those whose judgment determines the purchase.

It has writers who are qualified to do feature writing and create specialized publicity of such merit as to be acceptable to editors of technical and industrial publications. Feature writers of this character not only produce stories of authenticity and reader interest, but they also have established connections with editors who know they can rely on the technical accuracy and value of the material submitted by these men.

Copy research may be used to determine which is the best advertisement or piece of direct mail before it is used or afterward. It can tell which of several headlines will stop the most readers, what kind of pictures will get the most attention, which appeals will create the most desire, and which of two complete advertisements or direct mail pieces will sell the most merchandise. The personnel concerned

¹³ Edwin L. Andrew, Are Repeated Advertisements Effective? *Advertising Agency*, vol. 42, No. 12, December, 1949, p. 56.

¹⁴ Walter Seiler, How Agencies Can Help Industrial Advertisers, *Advertising Agency*, vol. 42, No. 10, October, 1949, p. 62.

with copy research know which methods to use to evaluate advertising and they know which independent concerns to employ if the work is not to be done by the agency itself.

Methods of testing the effectiveness of industrial advertising copy are discussed in this book in Chapter 13, *Testing Industrial Advertising*, by Dr. Howard D. Hadley, Technical Director, Daniel Starch and Staff. This research organization, which for years conducted studies of the readership of advertising in consumer magazines, began in the late 1940s to study advertisements in business and industrial publications. These studies show the effectiveness of each dollar spent by number of readers who saw the advertisement, by those who associated it with the product advertised, and by those who read more than half the copy.

In a large departmentalized agency there may be a copy director, who is often a vice-president of the agency, one or more copy chiefs, and copy writers. Copy organization varies widely, however, and some agencies (and among them is one of the top industrial agencies of the country) do not even have a copy chief. The copy chief of an agency ranks with the most important account executives in amount of salary received.

Layout and Illustration. The purpose of layout and illustration is to attract attention, direct attention, hold the reader's interest, assist in conveying the advertiser's message, or present the advertiser's story to those who will not read.

The small cost of space in industrial, trade, and business publications makes it necessary to use art work of modest cost and to keep down mechanical costs of photoengravings and type. It might be inappropriate to spend \$200 for art work, \$200 for engravings, and \$100 for type and other mechanical charges in business-publication space that costs only from \$75 to \$450 a page. However, if the advertisement is to be repeated (and many industrial advertisers have found it profitable to repeat effective ads), or if it runs in several magazines, these production costs may be justified. Some advertisers find that cartoons are useful in industrial advertising because they are inexpensive and a contrast to scientific or technical copy that crowds most industrial magazines. Although layouts must be more direct, less complicated than in consumer advertising, there is still opportunity for unusual effects. The Art Directors' Show in

New York usually has a special division for this classification which takes as much space as any other branch of advertising.

The layout of the advertisement, showing the arrangement of copy and illustrations, usually consists of rough layouts for intra-agency discussion, and comprehensive or more finished layouts for presentation to the client. This work is usually done by the agency's art department, although the finished art work for illustration may be done outside the agency. The industrial agency should have an art department that can read blueprints, make technical drawings, and do retouching. It should have skill in specifying proper type for all phases of technical advertising.

The art department may have such personnel as art director, art buyer, visualizers, letterers, artists, and layout men. This would hold true only in a large departmentalized agency. In a medium-sized agency there might be only an art director and one or two men who do visualizing, layout, and lettering, with all other facilities purchased outside. Some agencies maintain no art department, but buy all their work outside.

Production and Traffic. The production department translates copy and layout into the proof or matrix or plate that will be used by the publication. The actual mechanical production is done by commercial suppliers from whom the agency's production department buys the materials or services it needs. It sends copy to the commercial typesetter or typographer to be set in type. It sends illustrations to photoengravers for line plates or halftones. It sends completed advertisements to electrotypers for the matrices, stereotypes, electrotypes, or other forms of duplicate plates that it may need in sending the advertisements to the media chosen for their publication.

The traffic department, which may be combined with the production department, sees that each stage in the creation of an advertisement or campaign is completed according to schedule, so that publication dates are met.

Mechanical production and traffic functions are under the direction of a manager and various assistants, some of whom may be proofreaders and shipping clerks. In the industrial agency the production department may include technical photographers who are skilled in photographing industrial products in the studio or in the manufacturing plant.

Radio and Television Production. Radio and television production are becoming increasingly important among agencies, although these media are not used extensively for industrial products. A large industrial agency in the Midwest, however, was one of the first agencies of any kind in the country to install a complete television department. The agency must build radio and television programs to fit its markets and, in doing so, may use its own script writers, select its artists, and in general produce the show; or it may buy the show as a live-talent or transcribed package. Even when these shows are purchased outright, however, the agency must have a substantial volume of radio and television knowledge to be able to select effective programs and evaluate results.

Personnel in radio and television production may include a head of the department and various directors and script writers, plus a musical consultant and talent man, as the size of the agency dictates.

Merchandising. Specialists in merchandising and sales promotion are found in such agencies as have departments for these activities. There may also be experts in the creation of displays and exhibits.

Basically, these activities include cooperation with the client's sales work, to see that the greatest effect is obtained from the advertising. This work includes explaining national advertising to salesmen, making sales presentations for the sales staff, preparation of display materials for dealers, and helping clients prepare sales plans. People in this department spend considerable time with clients' salesmen in the field.¹⁵

Client Relations. Relations with a client is the primary responsibility of the executive in charge of an account. Sometimes there may be a group head in charge of a number of accounts who carries this responsibility. In a small firm all the contact work may be done by the head of the agency. The work of the contact man, whoever he may be, is to maintain liaison between the agency and the client. His is the work of presenting advertising plans and getting approval from the advertiser. In industrial advertising, the account executives should be technically trained and technically minded, so as to be able to work effectively with the client. They should be familiar

¹⁵ W. E. Palmer, *Agencies and Sales Promotion, Advertising Agency*, vol. 42, No. 5, May, 1949, p. 82.

with the personnel organization of their clients' industrial plants, and know how to appeal to research men, chemists, metallurgists, product engineers, toolmakers and machine operators, and plant executives in order to obtain the cooperation needed by the agency in securing data required in writing sound industrial copy.

New Business. New business is highly important to the agency. In many cases solicitation of new business is done by the principals of the agency—perhaps more than half of all new business is brought in this way. In other cases there is an officer in charge of new business, although business-getting may not be his sole activity. In some cases a committee is in charge of new business and in others all employees of the agency are engaged in account-getting. Some agencies get new business by paying a commission to men who can control accounts and bring them into the agency. In some larger agencies there is a full-time new-business man.¹⁶

Other Functions. There are other functions and services of an agency. Some have public relations departments for their clients' and their own businesses. There are also the financial, accounting, personnel, and legal affairs that are essential parts of an agency's operation.

ASSOCIATIONS OF AGENCIES

Reasons for Associations. Advertising agencies are grouped in associations just as are other service companies, such as banks and insurance companies and retail dry goods stores, and for much the same reasons. Advertising agencies find that such groups give them individual help in specific problems, and also provide a vehicle for furtherance of the best interests of the agency business and of advertising as a whole.

Kinds of Associations. There are two kinds of associations, the American Association of Advertising Agencies, which comprises the larger agencies of the country, and the various agency networks, that include smaller agencies. There are about 250 agency members of the American Association of Advertising Agencies. It is believed that these agencies are responsible for approximately two-thirds of the

¹⁶ John Allen Murphy, *How Agencies Get New Business*, *Advertising & Selling*, vol. 39, No. 10, October, 1946, p. 46.

space and time bought by or for advertisers. Not all the large agencies are members of the AAAA. Some that are not are N. W. Ayer & Son, Biow Advertising Agency, Donahue & Coe, Doremus & Co., and Grant Advertising Agency.

The networks each comprise from one to two dozen agencies, and the member agencies are usually noncompetitive; that is, they are situated in cities some distance from one another so that there is little danger of their competing for the same accounts. The agencies feel that if there is no likelihood of competition, they can discuss their problems more freely with one another.

American Association of Advertising Agencies

History of Association. The American Association of Advertising Agencies, often referred to as the Four A's, or AAAA, was organized in 1917 in St. Louis. Original membership was 111. Present membership is approximately one-tenth of the agencies that are listed by the "Standard Advertising Register" agency list, and approximately 13 per cent of those recognized by national media bodies.

Aims of Association. The Association has three main aims:

1. To protect, strengthen, and improve the advertising agency business.
2. To advance the cause of advertising as a whole.
3. To give service to members.

Qualifications for Membership. Application is open to any agency in the country. Applicants, however, must pass certain tests. Four of these tests are the same that they pass before national media associations recognize them as qualified to receive media commissions:

1. The agency must be independent, free from control by any advertiser or medium.
2. It must not undercut media rates and violate contracts with media by rebating commissions to clients.
3. It must have personnel and facilities to give proper agency service.
4. It must have financial capacity.

When an agency applies for membership, it must submit the names of all owners, present clients, accounts lost in past two years,

media recognitions, banking reference, and three references each from media owners, suppliers, local businessmen, and individuals qualified to judge advertising ability and experience.

The agency should be in business for at least 2 years, should have recognition from at least two national media associations, and should have a satisfactory ratio of net current assets to average monthly billing. With its application it submits a balance sheet, a statement of experience, ability, and facilities in accordance with the AAAA Agency Service Standards, and a statement of how the agency operates in accordance with the Association's Standards of Practice.

Initiation fee is \$250 or 10 per cent of the first year's dues, whichever is higher. Dues are on a graduated scale according to volume classification.

Organization of AAAA. The AAAA is managed by a board of directors meeting quarterly. An operations committee, composed of four national officers and three directors at large, meets monthly. There are 12 national standing committees that handle much of the AAAA program. Work of the Association is carried on by a paid staff of 30 and by some 450 volunteer workers from agency personnel. The paid personnel at headquarters, 420 Lexington Avenue, New York, are led by the president, Frederic R. Gamble. He meshes work of the headquarters staff and volunteer activities. He has organized the Association's work into five main sections, each of which is the responsibility of one member of the operations committee. At headquarters, each section is in charge of a senior executive.

The Association is organized structurally in six sectional councils and 13 local chapters. The councils are the New England, New York, Atlantic (comprising Eastern states from Pennsylvania south); Central, Michigan, and Pacific.

Improving Agency Business. A main objective of AAAA is "to strengthen, protect, and improve the advertising agency business." In this field of activity it works continually to promote understanding of the agency commission and cash discount. The system of paying commissions to advertising agencies was developed long before AAAA was founded, but the Association has proclaimed its effectiveness, sponsored an exhaustive study of the system in 1932, and does continual work to keep media acquainted with the facts in favor of both commission and discount.

Recent evidence of this work is the rapid pace at which business papers have agreed to pay the commission, 95 per cent now allowing it compared with 67 per cent approximately 10 years ago.

The Association also stresses the careful recognition of agencies by individual media, so that agencies that receive the commission are more likely to do careful jobs.

Promotion to media of the value of the 2 per cent cash discount is also an important AAAA activity. This discount, allowed to agencies by media, is passed along to the clients when earned, and is regarded by the agencies as needed stimulus to the clients for the prompt payment of bills. Most media allow it, but many radio and television stations do not.

Advancing Cause of Advertising. A broad aspect of Association work is to advance the cause of advertising as a whole. This work is done in four areas, those of *personnel*, *research*, *ethics*, and *relations*.

1. *Personnel.* In this area, the AAAA strives to secure better personnel for advertising. It conducts nation-wide annual examinations to reach young persons of high aptitudes and screens them for advertising jobs.

2. *Research.* The American Association of Advertising Agencies joins with other organizations in sponsoring The Advertising Research Foundation and the Traffic Audit Bureau. Both are fact-finding organizations.

3. *Ethics.* The Association works continually to advance its Standards of Practice and Qualifications for Membership. The Standards of Practice state, among other things, that the agency should compete on merit, without deprecating a competitor or his work. They also condemn competing for a prospect's account with materials prepared in advance, known as "speculative" solicitation. Another activity in ethics is the AAAA Interchange, under which member agencies register comments whenever they consider an advertisement in bad taste or otherwise objectionable.

4. *Relations.* Important work in the area of relations is support of The Advertising Council in its public service advertising.

Services to Members. Service to members is the third large field of activity of the AAAA. It includes an annual analysis of agency costs, a yearly review of balance sheets, legal information on methods

of charging for agency services, a compilation of agency-client provisions, studies, reports, talks, and some 150 bulletins a year. Each spring there is an annual meeting, and each fall the sectional councils hold regional meetings.

Advertising Agency Networks

Nature of Agency Networks. Advertising agency networks are small groups of small and medium-sized agencies grouped for mutual help. Inasmuch as the members of the networks may be situated in all parts of the country, each member also benefits by the representation in important markets that it gets in the form of assistance from fellow members. Activities and objectives of the network plan are exemplified by the "Scope of Service" outlined by the National Advertising Agency Network:

1. Association with principals and staff members of successful non-competitive advertising agencies.
2. Constant study and analysis of better management methods, organization, and advertising techniques.
3. Constant exchange of ideas, methods, and techniques in all phases of agency operation through a monthly bulletin, the *Networker*.
4. A national advertising campaign to place before national advertisers and media owners the more effective services offered by NAAN agencies.
5. A tremendous backlog of experience in a wide range of industries.
6. Exchange of local, on-the-spot information on media, distribution, local buying habits, local checking services on outdoor displays, radio, and so on.
7. Special headquarters service and direction by a competent staff of three able advertising agency members.
8. Regional conventions held in the East and Midwest each year for all staff members of NAAN agencies.
9. National conference held annually for owners only to discuss financial operations, taxes, wages, hours, personnel problems, new management methods, new techniques.
10. Group exchange, semiannually, of expense analysis and balance sheet analysis of each member.

11. Management counsel on individual problems by Managing Director and members of headquarters staff.

12. Headquarters library of special sales exhibits, internal forms, and so on.

13. Each member a branch office of every other member.

Concept of the agency network was evolved by Lynn W. Ellis, agency management consultant of Westport, Conn., in the 1920s. In 1929 he presented the outline of a network organization to a group of selected agencies in major trading centers. The first group was organized in Cleveland in 1929, and became the First Advertising Agency Group.

Benefits of Networks. Some of the benefits listed by various agency network members are as follows:

1. Conventions, with information on improved methods and policies.

2. Interchange of service, including help affiliates give one another in selecting or making contacts with local media, surveying dealers and consumers, checking competitive activity.

3. Free exchange of information on agency problems, especially complete and accurate financial information, so that member agencies know how they measure up in gross billings, costs.

4. Getting local market information from affiliates.

5. New business.

6. Opportunity for good fellowship; this is antidote for loneliness on the part of the sole agency operator in a small community.

7. "Branch office" service, affiliates executing out-of-city projects for one another so that in effect each derives national coverage from his network affiliation.

Essence of the network organization is its noncompetitive aspect. The agencies in each network are so widely scattered that their client and new business interests cannot clash. In most of the networks, members have the privilege of vetoing prospective new members for competitive or other reasons.

Dues vary. Some networks charge flat annual fees, some base their membership dues on a sliding scale determined by billings. Costs of meetings are spread over the member agencies.

List of Networks. Networks and their addresses are as follows:

Affiliated Advertising Agencies Network, Post Bldg., Spokane, Wash.

Continental Advertising Agency Network, 123 South Broad St., Philadelphia, Pa.

First Advertising Agency Group, c/o Newman, Lynde & Associates, Jacksonville, Fla.

Midwestern Advertising Agency Network, 329 Palace Bldg., Minneapolis, Minn.

National Advertising Agency Network, 4235 Lindell Blvd., St. Louis, Mo.

National Federation of Advertising Agencies, 3719 Wilshire Blvd., Los Angeles, Calif.

Transamerica Advertising Agency Network, 85 Michigan Ave., Chicago, Ill.

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Chapter 3: THE INDUSTRIAL ADVERTISING BUDGET

INTRODUCTION

Most of the separate activities involved in conducting a business or an industry, such as sales, production, accounting, and maintenance, are yearly programs projected on the basis of a preestablished budget, and it is the same with advertising. Before you write copy, or even decide upon a theme, or product, or sales-approach, you establish a budget. That is, you decide upon an approximate figure that may be available for advertising during the coming year.

This budget will include all the separate activities of advertising: direct mail, publication space, industrial exhibits, material for salesmen, point of purchase displays, and the other carefully planned efforts that go into a rounded advertising program. The budget says how much, approximately, each of these activities should cost during the year.

Thus the budget is all-inclusive; it involves every advertising activity. There are as many methods for arriving at its final magic figure as there are philosophies or concepts of business. It is impossible to set forth an established rule or method.

In order to make this chapter as helpful and informative as possible we have asked Bennett S. Chapple, Jr., Assistant Vice-President of United States Steel Corporation, to write a "general" approach to the problem as he has met and solved it. He places strong accent upon the "task method" which he has used successfully in determining and utilizing a large industrial advertising budget. It is not necessarily held here that the "task method" of establishing a budget is the best method. But it is presented as one that has been used successfully. To present any analysis of all the methods (it has been estimated that there are at least 25) would obviously be impossible.

Seven principal methods for setting the advertising budget are briefly described by Gustav E. Larson and Marshall N. Poteat in "Selling the United States Market," published by the U.S. Department of Commerce, 1951. They are:

1. Set budget at percentage of sales ranging from a fraction of 1 per cent to 15 per cent (advertising budgets vary according to type of product sold and market involved). Past year's gross sales or anticipated sales for year ahead can be used as base.
2. Set budget at so many cents or dollars per units sold (by case, by thousand, or by ton), using past year or estimated year ahead base.
3. Set aside all available funds. Companies who wish to sacrifice current profits for future sales results often use this method.
4. Set budget on the basis of the number of new customers desired.
5. Set budget to reach predetermined sales goal, as when entering new territories, increasing volume, etc.
6. Budget with percentage of profits as base.
7. Base the budget on what competitors are doing.

Chapple's carefully presented explanation is followed here by an outline of the task method as compiled by the Budget Survey Committee of the National Industrial Advertisers Association, and published for NIAA members in a pamphlet called "Advertising Budget Method—Case History I." This is followed by "Case History III," which, rather than dwelling on any particular method of arriving at the budget, explains in detail the preliminary studies that must be completed before the budget can be effectively established by any method.

Case History I was prepared by the NIAA Committee under the chairmanship of Mr. Chapple; Case History III by a similar committee with W. H. Collins, Director of Advertising, Dravo Corporation, as chairman.

A careful examination of this chapter should provide a workable approach to establishing a sound budget for any industrial advertising effort.

Both case histories have been slightly revised and shortened from the original pamphlets, and are published here by permission of the National Industrial Advertisers Association.

HOW SHALL THE ADVERTISING BUDGET BE SET?

by Bennett S. Chapple, Jr.

ASSISTANT VICE-PRESIDENT,
UNITED STATES STEEL
CORPORATION

Competent authorities have offered many suggestions on how the advertising budget can most effectively be established. I believe that the particular contribution I can add to this fund of information stems from the fact that I have served on both sides of the desk. In the past I have been intimately connected with advertising in its creative and administrative aspects. More recently, as a member of top sales management, I have been given the assignment, among others, of making certain that our corporation gets full value received for the annual expenditures on advertising. As a result, I am obliged to consider the advertising budget from a strictly practical standpoint rather than in terms of academic principles. I believe that an advertising appropriation can and should be as carefully "engineered" as an appropriation for new production facilities and should be subject to the same critical analysis. It is with this background that I approach the subject of planning advertising expenditures.

WHAT BASIS FOR A BUDGET?

Most discussions of advertising budgets begin with descriptions of the various methods which have been devised to arrive at the magic figure. Frankly, I have a very decided preference in this matter of methods, as will be disclosed later. However, in order that the more important types of budgeting systems are not completely ignored, (for the sake of simplicity they have been summarized in the following three groupings.)

1. *The Percentage or Per-unit Methods.* This group includes the majority of the budgeting systems which have been suggested to date. Under these, the advertising appropriation is determined on a fixed or varying percentage of profits (past or expected), or on a unit cost per ton, per case, per customer, per prospect, or per appropriate product grouping. (How or by whom these percentage or per-unit figures are established and how they can be adequately checked varies from company to company.)

2. *Business "Climate" Methods.* In this category is the arbitrary appropriation set by management in relation to current business conditions. Advertising budgets of this type are usually greater in a sellers' market when funds are plentiful, and lower when selling is tough (just the reverse of what the procedure should be). Also included in this category are those budgets based on keeping up with what competition is doing (is competition always right?) . . . or based on what was done the previous year (somewhat discouraging, for in reality a new look at the possibilities for advertising is needed every year).

3. *The Sales Objective or Task Method.* When this method is used, a definite sales goal or objective is established for each product or product group, and the type and amount of advertising deemed necessary to accomplish this objective is determined. The sum of the appropriations to be set aside for the individual programs becomes the advertising budget. In other words, it is a *building up* process, in contrast to other methods in which a lump sum or appropriation is determined first and then *broken down* into media activity programs. This latter process is somewhat analogous to putting the cart before the horse. In a budget survey made by the National Industrial Advertisers Association, Inc., only 30 per cent of the members replying indicated that they employ the task method, whereas 70 per cent use other methods or combinations of methods. In spite of being among the minority, I am firmly convinced that the task method is so eminently suitable to industrial advertising that the balance of this chapter will be devoted to discussing the hows, whys, and wherefores of the task method to the exclusion of all others.¹

¹ Those who wish to pursue further this matter of methods will find a most comprehensive reference guide in a report entitled "Advertising Appropriations" prepared by Richard Webster, Associate Editor of *Printers' Ink*, and issued by the Association of National Advertisers. Mr. Webster and ANA are to be congratulated on their thorough research and the completeness of the report.

Step Number 1. The first requisite of employing the task method is to establish a specific sales objective for each product to be promoted. This basic requirement immediately places advertising where it belongs in the scheme of things—as *part of an over-all sales plan*, for it is only one of several sales tools which either directly or indirectly can be employed to assist the line sales organization. In too many companies, advertising has been considered as something apart from other regular activities—as something to be given “special” treatment. And this “special” treatment invariably operates to the detriment of advertising. Advertising will have achieved a long step forward in the industrial field when it comes to be considered by management not as some mysterious hocus-pocus, but as *one* of the important tools of selling. Advertising should be used only when and where sales can be secured more economically by its help than by any other means. In order to set up these product sales objectives, certain basic information is essential.

1. *The Market.* Certainly no one is in position to set up any kind of sales objective until he has as complete information as he can secure on the markets susceptible to the sale of his products. Since the next chapter deals with defining and measuring the market, all that should be emphasized at this point is the vital need of the advertising manager as well as the sales manager for accurate information on who the potential customers are and where they are located. Reliable estimates must be available on the size of the potential market for the company's products during the coming year, as well as the portion of that potential market which the company desires to sell. This current information should be backed up by statistical information on the size of the market and the company's participation over a period of years, in order to reveal a precise picture of trends.

If adequate market information is not available within the advertiser's own organization, then part of the advertising appropriation could well be budgeted for the purpose of acquiring such data. It is better to spend a portion of the advertising appropriation to make sure the program is properly directed than to risk it all by aiming at an uncertain target.

2. *The Product.* Of equal importance to a knowledge of markets is a knowledge of the products to be promoted. One must be ac-


quainted with their disadvantages as well as their advantages. An excellent source for such information is the customer, for no one is in better position to know what is good or bad about a product than the man who buys and uses it. He also knows when a competing product is better and usually will not hesitate to voice his opinion! In addition, what appeals to one customer will generally appeal to another. Therefore, a great deal can be learned from customers as to where advertising emphasis should be placed.

An equally important phase of product information is profitability. It is not too uncommon in industrial advertising to find advertising managers with only vague or general information as to whether a product is profitable or not! Little wonder that advertising is not occupying its rightful position in such organizations. While profitability has a most important bearing on advertising plans, it is not the only basis for considering how much (or if any) advertising should be used. A new product, for example, may necessarily be sold at a loss until adequate promotion has increased distribution to the point where it becomes a profitable item. Whatever the sales strategy may be, however, it is vital that those with the responsibility for the advertising program be provided with full profit information as a basis for sound decisions.

3. Competition. Following or attempting to keep abreast of competition is never a desirable basis for formulating advertising plans. "Following the leader" might be a case of the blind leading the blind, because the largest advertiser is not necessarily the smartest. Keeping up with the Joneses frequently results in an advertising race where more money and effort is spent than is justified by the market opportunity. At the same time, it is, of course, essential to be well informed on competitors' advertising activities.

Step Number 2. After a sales objective has been set for each product, based on adequate information on market, product, and competition, the next step is to select the advertising media necessary to accomplish that objective. These various media are discussed in subsequent chapters and need not be detailed here. However, in considering the *amount* of advertising for each product it should be evident that certain products and certain markets require more or different advertising emphasis than others. From this point on, the selection of techniques and media to reach the prospects for particu-

lar products in their respective markets lies within the judgment of the advertising manager. Effective and economical use of advertising is the job for which, by training and experience, he among all

PRODUCT PAGE NO. ____ OF ____  BUDGET PAGE NO. ____

ADVERTISING BUDGET

COMPANY _____ FOR YEAR _____

DATE _____

PRODUCT PRODUCT SALES CODE NO. _____	MARKET DATA (in Co. Sales Territory)	TOTALS For All Consum- ing Industries
PRODUCT INFORMATION:	1. Potential - tons 2. Potential - dollars 3. Co. sales goal - tons 4. Co. sales goal - dollars 5. % - adv. to sales goal	

ADVERTISING PROGRAM					TOTAL \$
Acct. No.	Activity Units or Media	Quan- tity	Unit Cost	Item Total	Activity Totals
1.0	DIRECT MAIL				
	1.1 Catalogues				
	1.2 Circulars				
	1.3 House Organs				
	1.4 Seals, Stickers, Labels				
	1.5 Reprints & Preprints for Direct Mail				
	1.6 Mailing List Expenses				
2.0	EXHIBITS - TRADE SHOWS				
3.0	MOTION PICTURES, SLIDES, ETC.				
4.0	DISPLAY MATERIAL				
	4.1 Signs				
	4.2 Bulletin Boards				
	4.3 Window & Counter Displays				
5.0	CUSTOMER SERVICE ITEMS				
	5.1 Art Work & Engravings				
	5.2 Photostats & Photographs				
	5.3 Reprints & Preprints				

Figure 3-1

others in the company is best qualified. The costs of the advertising media which he selects are then totaled, and the total of all product budgets plus any general or institutional program makes up the advertising appropriation.

Figures 3-1, 3-2, and 3-3 show the budget forms used by subsidiary companies of United States Steel Corporation. These are not shown with any suggestion that they are in any way perfect. They merely

CONSUMING INDUSTRY DATA

PRODUCT _____

PRODUCT SALES CODE No. _____

(DISTRIBUTE THE TOTAL ADVERTISING EXPENSE SHOWN ON FRONT SIDE OF THIS SHEET TO THE CONSUMING INDUSTRY MARKETS LISTED BELOW IN WHICH YOU WILL ADVERTISE THE PRODUCT.)

MARKET	\$	%
1 AGRICULTURE		
2 AIRCRAFT		
3 APPLIANCES, UTENSILS, AND CUTLERY		
4 AUTOMOTIVE		
5 CONSTRUCTION		
6 CONTAINER		
7 CONTRACTORS' PRODUCTS		
8 CONVERTER		
9 DOMESTIC AND COMMERCIAL EQUIPMENT		
10 ELECTRICAL MACHINERY EQUIPMENT		
11 EXPORT		
12 JOBBERS, DEALERS, AND DISTRIBUTORS		
13 MACHINERY, EQUIPMENT, AND TOOLS		
14 MINING, QUARRYING, AND LUMBERING		
15 OIL AND GAS		
16 RAIL TRANSPORTATION		
17 SHIPBUILDING AND MARINE EQUIPMENT		
18 OTHER ()		
TOTALS	\$	100.0 %

*Please Designate

Figure 3-2

illustrate how one organization, using the task method, assembles its advertising data.

A separate budget is prepared for each product advertised. Space of the product is provided at the top of the forms.

The "Product Information" box at the upper left-hand side of the page provides space for brief descriptions of the profitability and availability of the product, degree of promotional effort needed, the competitive situation, and other pertinent facts. Just opposite, on the right-hand side of the page, is the space for showing total poten-


PRODUCT PAGE NO. ____ OF ____		(CONTINUATION)		BUDGET PAGE NO. ____	
		ADVERTISING BUDGET			
COMPANY _____			FOR YEAR _____		
DATE _____			PRODUCT _____		
Acct. No.	Activity Units or Media	Quantity	Unit Cost	Item Total	Activity Totals
6.0	NOVELTIES				
7.0	PAID SPACE				
	7.1 General Magazines				
	7.2 Business & Trade Papers				
	Catalogues & Directories				
	7.3 Farm Publications				
	7.4 Newspapers				
	7.6 Billboards				
	7.7 Radio & Television				
8.0	SERVICES FROM EXTERNAL AGENCIES				
	TOTAL				XXXX

Figure 3-3

tial market and company sales goal figures both in tons and in dollars. Item No. 5 in this box—percentage of advertising cost to sales goal—is computed *after* the cost of the media has been totaled.

On the main body of the sheet are listed the various advertising activities or media proposed. (Here the word media is used in its broadest connotation.) These are not simply listed as "Catalogues" or "Trade Publications" as shown in the illustration, but are itemized in complete detail. The various advertising activities are coded into eight major classifications, not including administrative, with appropriate subclassifications, to identify the type of advertising expense to the accounting department. When invoices are approved and

passed for payment, they are charged against the proper account by the accounts payable division.

An additional summary form shows the totals of all product budgets of each subsidiary company. The corporation has found these forms very adequate for the purpose. In summary form are listed the product sales objectives, the thinking and planning back of the advertising which is to assist in achieving these objectives, pertinent details of the suggested program, and the total cost in relation to the sales goal. Further detail is shown on attached sheets, where necessary. Provided with this type of information, management is in a position to judge intelligently the merits of the advertising proposal.

From the foregoing it would appear that the task method is quite simple. True, the *formula* is simple. Its *application*, however, involves study, thinking, and decisions based on the many facets of commercial life. It is tedious work—but work that is usually rewarded by the respect and approval by management of the final result—a budget that meets the situation with realism and careful planning.

A Few Suggestions. While steps 1 and 2 cover the basic requirements in setting up an advertising budget by the task method, a few additional suggestions may be of interest.

1. *Plan for an adequate job.* When advertising funds are limited, as they frequently are, it is better to do an adequate job on a few products or in a few markets than to spread available funds thinly over a large number of products and/or markets. Otherwise it might be impossible to do an adequate job anywhere. There is an irreducible minimum in advertising, below which its use is pure waste. Advertising is very similar to priming a pump. Those who have performed this task will recall that if water is dribbled or poured into the pump too slowly, it has no effect and the process must be done all over again.

Similarly, advertising funds can be dribbled away without effect. If the advertising dollar is to be applied properly, it must be made available in sufficient amounts and at the right time to achieve proper sales results. (By the same token it should also be remembered that unnecessarily extravagant expenditures are equally wasteful.) When an advertising appropriation has been properly built up it should

never be reduced, if this becomes necessary, by making a straight percentage cut. Instead, the entire budget should be reexamined in order to determine those products and markets for which advertising support is least necessary at the moment. Arbitrary across-the-board paring down of expenditures might destroy the over-all effectiveness of the program.

2. *Confine the advertising appropriation to advertising activities.* This might seem too obvious even to mention, but many companies consider advertising appropriations as "catch-alls" for items which no one knows where else to charge. This practice probably developed because of inadequate advertising planning in the past. Many companies used to set aside funds or an appropriation for advertising without complete plans for expenditures. The money was spent for this or that as the year progressed, and when a bill came along for something no one else wanted to assume, it was charged off to the advertising account because some unused funds were usually available. First, this is very poor accounting practice; second, it does not contribute to respect for advertising as an accepted sales tool. If a coordinated program for advertising is developed with specified costs for each activity, then there will be no funds available for nondescript items. Thus the "catch-all" will be automatically discontinued.

3. *Provide for flexibility.* Most advertising budgets are prepared on an annual basis. Where the task method is used, requiring the accumulation of extensive data, a shorter period would hardly justify the work involved. On the other hand, since market conditions can vary widely within a year, it would be foolish to adhere to a fixed program which no longer is realistic. It is preferable to prepare the budget on an annual basis with the understanding that, if the situation warrants, changes may be made during the year, rather than to budget over shorter periods or to provide a large contingency fund. The trouble with contingency funds is that they may be spent for activities that are not strictly advertising, as indicated above. It is conceivable that they may not be spent at all and a large balance at the end of the year is not good for advertising. Management is apt to consider such savings as an indication that the advertising was not properly planned or that an excessive appropriation was requested in the first place. Consequently, management might be inclined to reduce subsequent requests, particularly when sales are

falling off and money is tight. However, at such a time advertising assistance may be more vital than ever.

A certain amount of flexibility is possible even if the budget is completely assigned to specified activities. When monthly or quarterly reports of sales are checked against sales objectives, advertising emphasis may be shifted from a product which is ahead of its sales goal to another which is behind. This applies particularly to direct-mail programs, which are not prepared far in advance and where space contracts are not involved.

4. *Include funds for research.* Since advertising is not an exact science and its value is frequently viewed as intangible, there is need for constant research and study to check its effectiveness. In recent years, the various advertising associations have been devoting more and more of their attention to this important phase of the subject, and a great deal of good can be expected from their investigations. Advertisers can well afford to earmark a share of their advertising funds as contributions for these activities. However, members of the profession should not consider such financial assistance as an alternative for their own personal efforts in their own particular areas. As long as the lazy advertising manager contents himself with the explanation that certain values of advertising are too intangible to measure—that industry must be willing to accept and use advertising with a large measure of faith—just so long will he be called upon to spend much of his time and effort defending his position. If he would spend equal time and effort in trying to substitute fact for faith, he would soon find his position much more tenable. He should establish suitable budget controls, such as a periodic check-up with line sales on the sales program, the maintenance of inquiry records, and the careful follow-up of inquiries. These activities offer a fertile field for his efforts and should be productive of much useful data.

5. *Use the advertising budget to sell advertising to management.* Where an unfavorable or unsympathetic attitude toward advertising on the part of industrial management exists, it is more frequently due to confusion or misunderstanding than to actual antagonism. Many men in the management bracket are frankly puzzled when faced with a decision regarding advertising. They will admit that advertising plays a major role in the sale of consumer products. But when it comes to an industrial product, they are not convinced.

They know that other industrial concerns, perhaps their competitors, use advertising. Their own decision to use it is more frequently influenced by what others are doing than by a firm conviction that it will help to accomplish their purpose. In other words, they are afraid *not* to use it. No advertising manager can be very happy or feel very secure when he realizes that such an attitude is the motivating influence behind the approval of his budget. Both he and his management would be much happier if the use of advertising were on the basis of conviction.

Of course, the finest means of convincing anyone is to supply proof. When management can be provided with positive proof that the investment of a certain sum of money in advertising brings a certain return, the problem will no longer exist. Lacking such evidence, the advertising budget itself offers the next most effective means. Management will welcome the tangible evidence of sound thinking and practical planning inherent in an advertising program carefully dovetailed to the over-all company sales plan. It will also welcome a program which is realistically grounded on adequate information and its commercial interpretation. The task method of budgeting requires such thinking and planning, and therein lies the principal reason for its fundamental importance in industrial advertising.

CASE HISTORY I: STEP-BY-STEP PROCEDURE

Securing Market and Product Information. The advertising manager consults with managers of sales of various product divisions on:

1. General sales outlook for coming year.
2. Plans for new products or modification of existing products.
3. Any changes in long-range profit status of products and markets.
4. What product and in what markets the division manager believes he will need advertising and promotion support to achieve sales goals.
5. Competitive products and activities.

When above information is obtained, advertising department calls on market research department for:

1. Specific forecasts on size of potential markets for coming year in volume (tons) and dollars for products to be advertised.

2. Desired participation in those markets, based on company facilities in relation to competitive facilities.
3. General sales outlook for coming year and pertinent market information.

Advertising department secures from statistical department:

1. Historical information on product sales in past years to reveal trends.
2. Specific information on profits for various products as guide to future promotion.

Advertising manager consults sales promotion manager to determine what promotion may be contemplated and how best integration of respective activities may be molded into rounded plan.

Preparation of Tentative Advertising Program. Advertising manager, in consultation with own top personnel and with advertising agency, draws up proposed program, detailed by activities, which will give necessary advertising support to each product to achieve sales goal.

Review and Approval by Management. Proposed advertising program for each product is presented to product sales managers for review and approval. Each manager is shown:

1. Proposed activities for his products, cost, reasons for selection.
2. Supporting market data and statistical information.

Following approval, proposed product advertising budgets are consolidated into general company budget and set up on standard budget forms.

The over-all budget is submitted to the general manager of sales and his staff for discussion.

After approval by general sales staff, advertising manager summarizes budget for review by top management, including vice-president of sales and the president. It is not necessary for summary to contain detailed information on how appropriation will be spent, *i.e.*, media. Including such information frequently leads to fruitless discussion. Summary is prefaced by a foreword pointing out any major changes in budget from previous budgets, any increase in costs, and general marketing problems. This is followed by separate sheets for each product division on which are shown for each product to

be advertised the total potential market in dollars and tons, sales goal in dollars and tons, per cent of sales goal to potential market, proposed advertising expenditure, and advertising cost per dollar of expected sales income. These separate product division summaries are finally summarized as a complete budget. In this final summary the potential market and sales goal figures for all nonadvertised products are also included so that the final total presents an accurate figure of total company business in relation to the industry and advertising cost as related to total volume of business.

Setting Up Controls to Check Performance. After final approval by top management, advertising manager sets up controls to follow program and measure effectiveness. *Quarterly* reports of sales by product are secured from the statistical department. These indicate:

1. What products need additional promotional support.
2. Where advertising emphasis may be shifted from product ahead of its sales goal to another which is behind.
3. Changes in market conditions.
4. Additional funds needed.

Advantages of This Method. The budget is thereby flexible, since weak spots can be corrected quarterly instead of waiting until the program for the following year is drawn up. The preparation of an industrial advertising budget by the task method is a practical and effective method of arriving at a realistic advertising appropriation. The product and market data set the sales goal estimates, which in turn indicate the objective.

Stated another way, the amount of advertising to be done is decided on the basis of what the commercial facts dictate. From there on, the handling of the details—how to reach the prospects for the particular products in their respective markets, effectively and economically with advertising—lies within the judgment of the advertising manager. His training and experience make it the job that he among all others in the company is best able to do.

CASE HISTORY III

The advertising manager of an industrial concern must be three things: a statistician, an analyst, and a coordinator. It simply means

that basic sales information is necessary on which to build the advertising program; and when putting these data together, you are serving in those capacities.

Statistical. This is the collection and tabulation of your company's sales statistics. Your head bookkeeper, order clerk, finance officer, and sales manager can be helpful. Once you have the figures for back years you won't have any trouble keeping the records current. You may want to proceed in this manner:

Prepare a card for each of your products by sales territories (or geographical units) and by dollar sales to consuming industries within those territories.

These product cards are your basic source material. From them you can develop all the necessary tables of sales statistics for your analytical review. For example, by arranging the cards by sales territory groups, you then can prepare tables which will reflect the yearly trend of sales by products within each of those districts. Or the material can be put together to show how sales are progressing industry-wise. After summarizing the data on the four territory tables by products and by industries you are qualified to become a sales analyst!

Analytical. Begin by studying a table captioned "Summary of Sales by Products—All Territories." You can spot by inspection those products which are steadily increasing in sales and those which are slipping. In either case, refer back to the individual territory sheets for the answers. You will discover in some cases that even though the over-all sales picture for a product looks good, it might be that large increases in some of the territories are offsetting lagging sales in others. Red circle the weak spots. Or if the spread in increased sales varies greatly from territory to territory, it may indicate advertising support is needed to help bring up performance in the less productive districts.

If sales are down all across the board, the product is ready for broad promotion. On the other hand, if sales are slumping badly in three of the territories and overriding increases in the other three, it is obvious that the depressed over-all picture is not due to the distortions of the present economy. Special attention is due the slumping three.

In the same manner, study an industry table, beginning with the summary table, and analyze the supporting territory breakdowns to determine what contributes to the over-all sales situation. You will be surprised at the long-term as well as the short-term trends you can discern. For instance, in one company we noted that sales to the glass industry had dipped sharply since 1945. After inquiry, the answer was simple. During the war, tin plate became scarce and many concerns, particularly food processors, switched to glass containers. Sales skyrocketed during that period, but as the steel product became more plentiful in the following years there was a reversion. Sales to the industry diminished accordingly.

Another example occurred in the farm market. Sales of one product to fertilizer manufacturers advanced steadily, territory by territory, since 1939. Government price-support programs for farm products, coupled with the war demand for food here and abroad, supplied the stimulus. Today the outlook continues to be good for sustained government support, and thus only a minimum promotional campaign to maintain brand identity and source will be needed.

You can also seek out the answers from your sales personnel in the field, company officials, or from any other qualified source. Also, as you progress in your analytical work be sure to make use of government trade associations and other reliable sources of statistics to establish market potentials for each product by sales districts.

The important matter is to arrive at a complete interpretation and understanding of your company's sales picture.

Coordination. First, it is advisable to prepare a summary work sheet.

This work sheet is provided for each product in the line to show by territory:

1. The complete commercial picture of sales.
2. The outlook, or objective, for sales next year.
3. The proposed program of advertising support.

Begin by separating the basic data cards by products and in numerical territory order. It will depend on your management's thinking or on special sales problems, or both, how many past years you consider in observing the general trend of sales. When the sheets are completed for all products, you are then ready to enter your

analyses and other pertinent information on the summary work sheet under "Remarks" to explain each sales position. As suggested before, red circle those spots where you believe advertising can make a definite contribution to improving the position.

Gather all your papers—the work sheets and statistical tables—and see the sales manager. Talk over the entire sales picture with him, referring primarily to the work sheets and using the supplementary tables as needed. Ask him about his plans and objectives for the coming year. They may be predicated on the data you place before him; or, because of profitability or product availability or for some policy reason, he may have a special product campaign in mind.

This phase of the procedure does get into the realm of forecasting, and it may be that your chief financial officer handles that particular operation in the business. If so, ask him to sit in on the session. Maybe you can include your president. At this stage, the more executives the better. As the conversations progress, enter sales goals and comments in spaces in section 3 of the summary work sheet.

On the basis of the complete sales data in the first three sections of the work sheets, begin to plan your program, writing down the proposals in section 4. Pick out spotty points in an otherwise strong product performance for direct-mail campaigns. Use existing literature, if applicable, or design new folders to cover the industry situation exactly. If several products going to the same industry in a number of the sales districts are red-circled, a comprehensive paid space program may be necessary. Lean on your advertising agency to help you select the leading business papers to carry your message to those industries. In those sales territories where the entire picture is bad, it may be a personnel problem, which is your sales manager's concern.

Go over your product sheets carefully. The number of times a product is in trouble, the industry situations, objectives for next year, long-range sales planning (all clearly indicated on the work sheets) will dictate the scope and breadth of the advertising program planned.

The final step involves securing management's approval of the advertising proposal. Go back to the sales manager, and show him your over-all plan. Product by product, you should have the number of literature pieces to be produced; the number of direct mailings and to what industries; the paid-space schedule by publication names

and number of pages; and identification of other activities such as trade-show exhibits and novelties. The suggested procedure can serve for summarizing this information. In addition to the cost information, there is provision to show what is being received for the money to be spent. For instance, after paid space you see that, based on circulation figures, each advertising message to the oil industry will cost only 3 cents. The space at the top of the page, "Reasons for Advertising," will reflect your sales manager's or collective management's thinking, expressed at your first meeting, plus whatever statistical information you believe advisable to lift from your work sheets.

*How the Industrial Advertising Dollar Is Invested **

<i>Budget item</i>	<i>Millions</i>	<i>Per cent of total</i>
Business publications.....	\$262.0	46.3
Product literature.....	112.5	19.9
Consumer media (magazines, radio, television, etc.).....	66.2	11.7
Exhibits and shows.....	31.1	5.5
Publicity.....	14.7	2.6
Point-of-sale (dealer) displays.....	10.8	1.9
Films.....	8.5	1.5
Research and marketing studies.....	4.5	0.8
Other.....	55.5	9.8
Total.....	\$565.8	100.0

* A. R. Venezian in *Industrial Marketing*, September, 1952.

Chapter 4: DEFINING and MEASURING THE MARKET

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Relation of Market to Product. At the outset of any effort to define and measure the market lies a thorough understanding of what *products* are to be marketed and what *markets* there are for the industrial products. This close and reciprocal relationship of market to product, and product to market lies at the heart of all marketing effort. If defining the market means answering the questions *where* and *when*, measuring the market involves answers to questions such as *what* is to be marketed, *why*, and *how much*. It is therefore in point to examine product and market together and the relations of one to the other. But first a glance at the function of market-measuring in the economy of business.

Place of Measurement among the Marketing Functions. Defining and measuring the market, a first step in the campaign to increase the sales of industrial products, is one of the standard functions listed in the textbooks on marketing, and fits into the rest of the picture as follows:

1. Defining and measuring the market.
2. Making the product known.
3. Display and selling.
4. Delivery, with storage and service as required.

These steps the producer takes in his business, to plan his output, dispose of his goods, provide employment for his men, and get some return for his effort. Other functions, to be sure, must be considered,

such as determining the proper size, shape, and selling unit of his items, assembling a family of products, and handling financial arrangements, risk reduction and record-keeping, as required in all businesses; but a first step is to measure the *market* for which he designs and makes the product, and which he must make known to probable customers as adequately as possible, if his efforts are to be rewarded with commercial success.

Products to Be Marketed. The products that are called for by industrial consumers may be classified broadly, as in texts on marketing,¹ as:

Products Marketed

Raw materials:	Accessory equipment and parts.
lumber,	Structures, heavy equipment, and machinery.
cement, coal,	Partly processed goods.
cotton, etc.	Operating supplies.

In this classification fall structural steel, cement, lumber, the many sizes and kinds of machine tools, electric motors, bulldozers, motor trucks, excavators, skids and palettes, speed nuts, pipe, valves, hand tools, lubricating oil, cotton waste. Included also are items of heavy and light equipment for warehouses, for wholesale and retail stores, central stations, and repair shops—such as elevators, lift trucks, lumber, steel sheets and bars, glass block, scales, shelving, office machines and appliances, and the thousand and one items not described or even referred to in the Arabian Nights.

The Market. The market for these products includes a group of customers roughly classified as follows:

Groups of Industrial Consumers

- | | |
|--------------------------------|------------------------|
| 1. Manufacturers. | 6. Repair shops. |
| 2. Builders and contractors. | 7. Wholesalers. |
| 3. Mines, wells, and quarries. | 8. Retailers. |
| 4. Public utilities. | 9. Institutions. |
| 5. Offices. | 10. Other enterprises. |

¹ Converse and Huegy, "Elements of Marketing," 3d rev. ed., Prentice-Hall, Inc., New York, 1946, p. 176; and Alexander, Surface, and Alderson, "Marketing," rev. ed., Ginn & Company, Boston, 1944, pp. 64ff.

To meet the far-flung requirements of this huge industrial market one of the first steps of each producer is to determine which of the principal groups of customers shown in the preceding table constitute the most likely and profitable market for his output as an industrial producer; also, for *each product*, what is the character and extent of the market.

Why. This involves understanding *why* each product commands a market—what characteristics constitute the reasons why it is called for. Why is the particular product used or usable? In what capacity does it serve the manufacturer or other purchaser, and in what fields of manufacturing or other line is it superior? What elements of size, type, weight, finish, or price make it desirable? What variations of each of these make it adaptable for other customers? Is it a useful and necessary item of *equipment* which enters into some other product? If so, for how many *other* products would it be similarly useful? Perception of the possible application of an existing product to make it serve other markets is a possibility for the open-minded and resourceful executive or researcher to explore. One has to be always on the lookout for the reasons why there may be an area of demand not previously visioned.

Where: Geographical Location of Markets. A glance at a map showing the location of the leading industrial centers (Fig. 4-1), and mining centers as well (Fig. 4-2), indicates that the greatest volume of industrial business lies in the northeastern quarter of the United States, and a large secondary volume in the mountain areas. The large industrial consumers are thus considerably concentrated and are relatively easy to reach.

When industrial markets are concentrated in a few districts, whether due to certain natural advantages such as a strong early start, nearby raw materials, cheap power, favorable transportation rates, or good labor conditions, they can be reached and worked more readily than when markets are widely dispersed.

In a more restricted sense, concentration of industries has taken place wherever many plants have settled down in one locality. A map of those industries where customers are located in *clusters* enables the sales executive to route his salesmen more advanta-

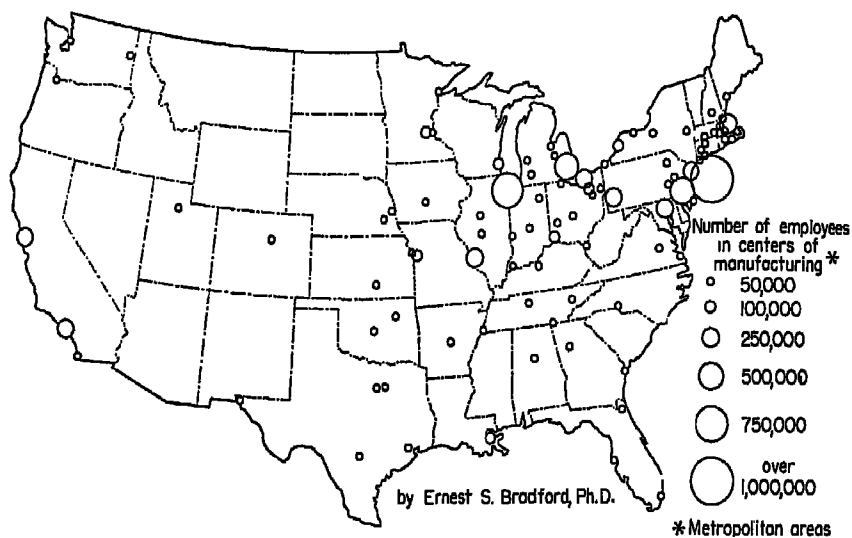


Figure 4-1

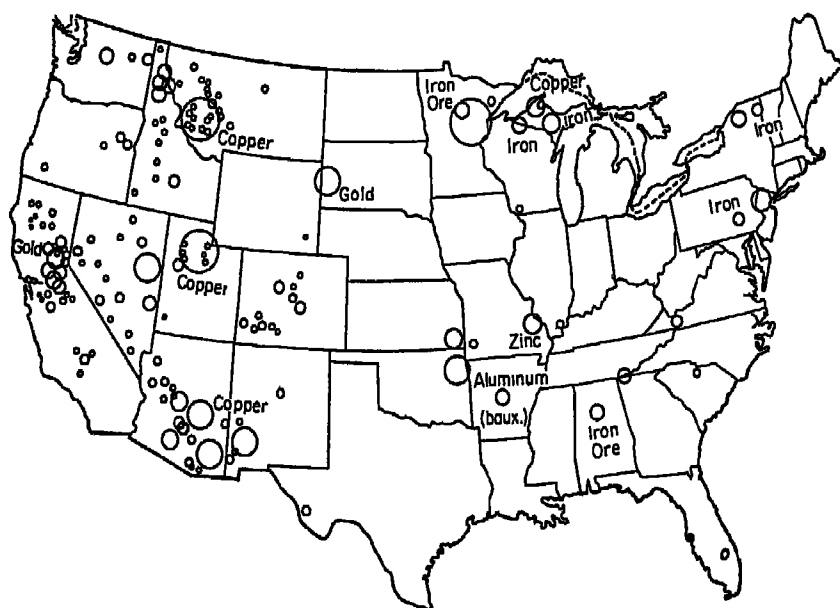


Figure 4-2

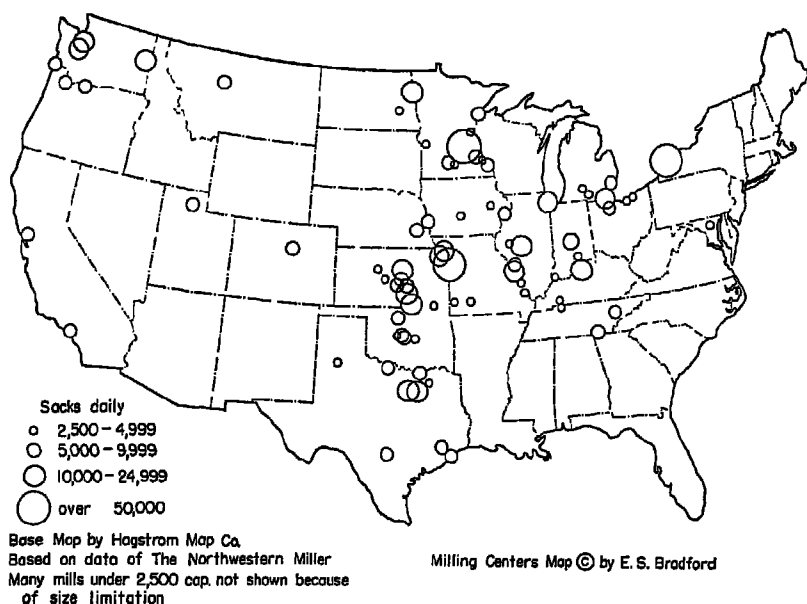


Figure 4-3

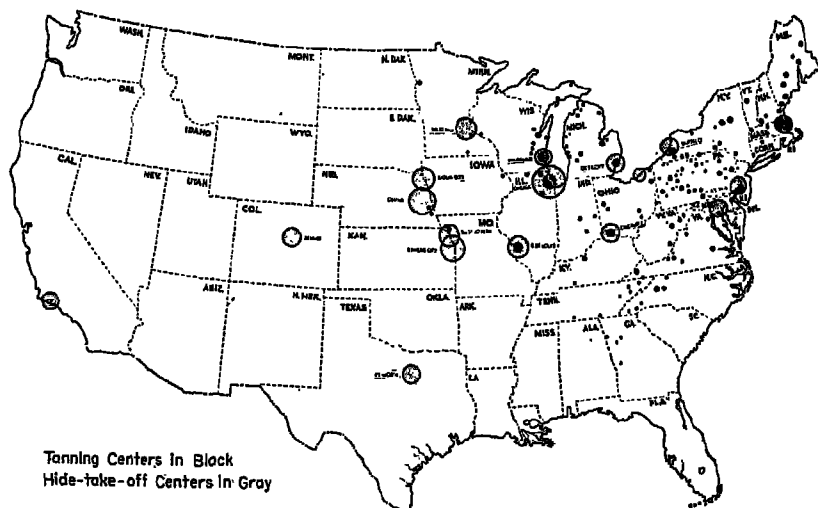


Figure 4-4

geously, and also to call on nearby plants as promising prospects, such as flour mills around Minneapolis, Kansas City, and Buffalo (Fig. 4-3), and tanneries in New England, New York, Pennsylvania, the Appalachian Mountain region, and the Middle West (see Fig. 4-4). One of the preliminary steps in defining a market, therefore, lies in preparing such key maps in some detail, and with these in hand the executive can plan his program more quickly and comprehensively. This advantage, however, does not apply to those cases where the several customers are not close together, in which case the manager has more of a problem to assign his salesmen to cover districts where they can reach the worth-while customers most effectively.

National vs. Regional Demand. Measuring the market thus includes ascertaining *where* the product is now purchased, in what industries and by what size companies, and what other companies or industries constitute a potential market. Closely related is examination of whether the market is of national scope and to be planned for accordingly, or essentially *regional* or local in character; and here again a well-prepared and detailed map of leading industrial units is most helpful. Similarly, if the demand is from abroad, a study of what types of plants are consumers, where they are, and how they are grouped with other industries may lead to a better-planned attack on the export sales problem.

Time of Purchase. Analysis of the *timing* of purchases by particular groups may show when companies are likely to be actively in the market for certain products, and at what times it is less advantageous to call upon them. A map showing when spring planting is due may be helpful to manufacturers of tillage implements—plows, harrows, cultivators, etc. (see Fig. 4-5).

These methods of breaking up the market into considerations of *where* and *when* often yield a better insight into what to do to expand sales. *How* industrial goods are bought is another matter to be examined.

Characteristics of Industrial Goods. Industrial goods are distinguished (as a whole) from products used for personal consumption by certain definite characteristics:

Unit of Sale. The unit of sale is usually larger than that for consumer goods, and the item is generally heavier, larger, and more costly. The purchase of a printing press, a turret lathe or steam hammer, or a year's supply of oil, pulp, typewriter supplies, or wrapping paper involves sufficient investment and possible profit so that the producer can often afford to employ a skilled sales engineer

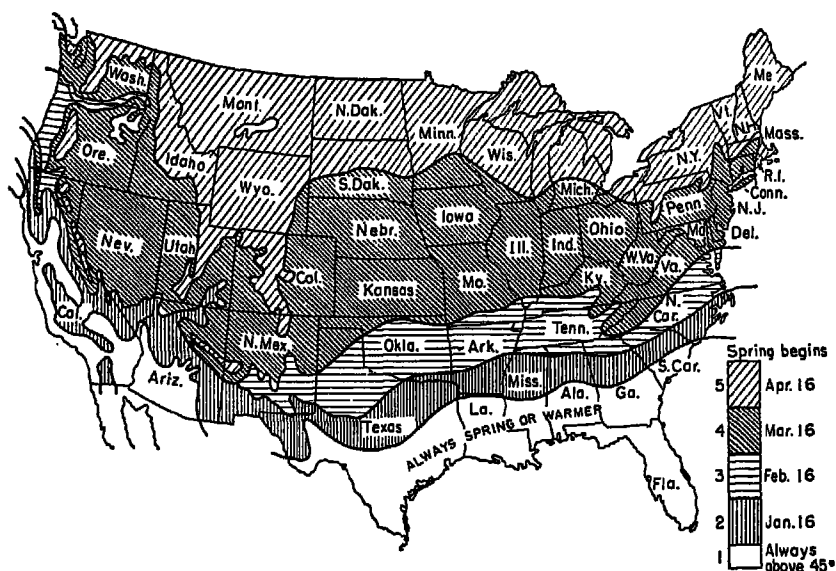


Figure 4-5

for presenting his product's merits. The size of the unit sale or the frequency of demand may make more direct the channel through which the product is disposed of. In other cases the wholesaler remains the natural distributor because of his handling of many items at a time, thus reducing the cost of selling each item. For this reason, the manufacturer of each line must study and pass upon the relative merit of the sales channels to be employed, and of each item which is to be marketed.

Customers Usually Well-informed. Another characteristic of industrial purchases is that they are made usually by men who are more or less "expert" in their knowledge of the product, and what they expect it to do. Long familiarity with the process or the operation involved will give the industrial purchaser a thorough knowledge of

the precise result he wants to accomplish through his investment in a new piece of equipment. For this reason the manufacturer will have made his design as simple and functional as possible, and his sales representative will be well grounded in all of its technical details. This facilitates the marketing of equipment and continued good will. The purchaser, too, often has another advantage, having at his disposal a well-equipped laboratory with assistants prepared to test the materials submitted. The motives that influence the purchase of industrial goods are thus likely to be rational, rather than emotional, though previous satisfactory experience counts also, as well as courtesy and personal acquaintance with salesmen.

Several Buyers Must Be Convinced. Further, in many instances, several executives must be interviewed and satisfied before the sale of the large item is closed. A study of industrial buying by R. O. Eastman indicates that many men take part in the process and that in almost two-thirds of the cases purchases are passed on by at least four men. This means that the salesman has to be well trained in meeting people and must take more time to contact a number of influential personnel, since his product must presumably satisfy not only the technical men but also the fiscal and administrative watchdogs.

Industrial Purchases Deferred in Bad Times. The steady purchase of products from week to week and month to month, which characterizes food products and other items of consumer consumption, does not apply as continuously to industrial goods, except to such items as operating supplies. It has followed then that in times of poor business and in depressions the buyer may decide to postpone his purchase of new machinery or other up-to-date equipment for an extended period, hoping to get along with his existing setup. During such periods industrial sales are likely to fall very low, which may induce the manufacturer to center his sales effort on good times. When conditions are less favorable, the resourceful executive may decide to use his sales engineers to design simpler and less expensive items, or to keep salesmen busy with proposals to customers to renovate or modernize old equipment; thus he keeps his factory and sales force busy. Sometimes by favorable installment contracts, in which payment is extended over a considerable time, he can induce customers to start the process of investing in much-needed

and more efficient new machinery. The success of these devices depends partly on the financial strength of the producer and the credit standing of the customer, and requires a close and intimate knowledge of the market.

Repairs and Service Required. Some machinery requires advice and supervision in installing and training of the buyer's operating personnel in order to ensure its successful continued operation. Also, as changes in design and improved attachments are developed, their addition may require attention from the original producer, as well as repair service required from time to time, all of which is a factor in keeping the customer satisfied with what he has bought and is using. This service may be supplied on a contract basis, or is sometimes included in the original sales arrangement. A few companies, anticipating the continual changes in machines or appliances which occur, lease them to customers instead of selling—as in the case of punch-card machines, shoe machinery, and some mailing devices.

Important to Understand Customer's Problem. Knowledge of these general characteristics of industrial products constitutes an essential background with which the industrial executive starts his selling campaign. With this sense of the market should go a strong effort to understand the purchaser's problems, to serve effectively in what one executive describes as "helping our customers to buy."

Start Survey with Most Available Information. With these general considerations in mind at the outset of a survey of the market, the marketing executive and his researcher attempt to utilize those sources of information that are most readily available. The executive looks about him to see what data are at hand regarding the past and present market. In this, the first step in a preliminary inquiry, sometimes called an "informal investigation," is to take a little time to consider where he can find the facts quickly regarding the field he wants to know about. As part of this preliminary survey he may start with the sales records of the company, to ascertain where the product is in most demand and in least demand; what times of the year or of the month are sales the best; and which salesmen have the highest standing. Sometimes, this preliminary analysis tells him

significant facts of immediate interest and, when supplemented by conversation with informed persons, turns up the reasons for the high or low spots in the business.

Spotting Neglected Areas. Analysis of the sales records of a tire manufacturer, for example, disclosed certain counties in a populous midwestern state where sales of bicycle and motorcycle tires were negligible. In a sales convention, the attention of salesmen was called to this neglected line, and the situation promptly improved. Similarly a meat-packing company discovered from its records that customers in some of the smaller New England cities bought so little of the company's product at any one time that the business could be better handled by telephone, with only an occasional personal call from a salesman.

More Time with Some Customers. After sales records show the product and volume sold in each territory, dates, deliveries, and costs, they may also reveal customers whose business warrants the salesman spending additional time and effort on them, or others who do not warrant a salesman's call except at rare intervals. In some cases, it pays to have the salesman spend several days in a given section where a line of growing industries may warrant special attention. In these instances a certain amount of exploratory work may need to be done, depending on the judgment of salesmen and executives.

Such examination of past and present sales records may yield definite conclusions regarding immediate possibilities as to products, areas, quotas, sales, personnel, and compensation.

Maps Save Time. If the product is one that is believed to appeal to a very wide industrial market, it may pay to examine in this connection a map of the United States which shows the location of the leading manufacturing or mining centers, such as those of Figs. 4-1 and 4-2, or more detailed maps, already referred to (see Figs. 4-3 and 4-4). In which sections is it reasonable to look for a substantial increase in sales for present products, or business for new products, and why? If the crusher, the earthmover, or the electric motor or duplicating machine, or time stamp is superior in

some respect to a competing product or is better adapted to a particular industry or line of customer needs, knowledge of the centers where such customers are located is a "must" at the outset. A reliable map outlines the facts quickly. Each map should be accompanied whenever possible by a supporting table of figures, such as those provided by the latest "U.S. Census of Manufactures," or other source material, with data projected to cover the latest years.

Steps in Systematic Program. If this informal or rough-and-ready survey shows the need for a further and more thorough-going inquiry, the inquirer starts promptly on a more comprehensive plan. In this case he outlines one or more of the following steps:

1. Analyze the present market, to ascertain in which industries, areas, cities, or classes of customers his product is strong or weak, and why.
2. Determine where neglected areas make it worth while to try to build new sales for present products.
3. Ascertain what new products which the company is equipped to produce or what modifications of present products are likely to please present or future customers, and where.
4. Examine sales channels through which products are presently distributed, and decide on channels for new products.

The first of these steps requires a detailed analysis of the present market; the last two, a study of potential markets for old products or new products. It is logical to survey the present situation before taking a look at future possibilities; sometimes the first step leads immediately to the others.

Defining and measuring the market may start with a broad and general attack on marketing processes and procedures, followed by securing information on the specific products in mind and statistical data on competitive products and conditions. This is followed by interviews with consumers and by such other means of securing complete first-hand facts as may appear most practicable.

Texts on Marketing; Data Books. Because of the wide and varied character of the industrial market, and the necessity of picking out the exact points to examine, it is often desirable to study the market-

ing situation in a broad and comprehensive way, including the major principles involved in all marketing. For this purpose, the executive may consult one or more general texts on marketing, which he hopes will shed light on the method of research to be used:²

Nystrom, "Marketing Handbook," The Ronald Press Company, New York, 1945.

Lyndon O. Brown, "Marketing and Distribution Research," The Ronald Press Company, New York, 1949.

Ernest S. Bradford, "Marketing Research," McGraw-Hill Book Company, Inc., New York, 1951.

Lorie and Roberts, "Basic Methods of Marketing Research," McGraw-Hill Book Company, Inc., New York, 1951.

Parten, "Surveys, Polls and Samples," Harper & Brothers, New York, 1950.

Reilly, "Marketing Investigations," The Ronald Press Company, New York, 1929.

American Marketing Society, "The Technique of Marketing Research," McGraw-Hill Book Company, Inc., New York, 1937.

These he will follow with a text or two on *industrial* marketing, read a couple of books on the particular industry involved, and a few articles or college monographs which he finds under the proper subject heading in the library—perhaps under several related subject headings. He examines recent issues of trade journals in the industry, glances over editorials and special articles which he finds in point, going back several months or years if necessary to find whether the market is divided among several or many industries. He uses the trade-journal index if it is a good one for his purpose, or utilizes the general indexes of magazine articles available in all the good general libraries. Often he finds the special library of his own company is able to supply him with up-to-date clippings or articles very much in point, and can advise him where else to put his hand on needed information. "The special libraries are alert information-hounds and have become an invaluable aid to us," said a busy vice-president in charge of sales. The library has not only a collection of recent census data and other government reports, but also can tell him where additional authoritative figures may be found.

² See other references at end of chapter.

State chambers of commerce or local development boards are of great help in some instances, and college and university bureaus of business research have become sources of detailed information in lines to which they have turned their attention. When their figures are accompanied by interpretation of the data, they are most helpful. There are always trade directories to be consulted, trade association proceedings, house organs of particular companies, and occasional lively pamphlets put out by advertising agencies, some of which are indexed in the libraries. The research departments of some magazines and newspapers offer especially valuable summaries of particular industries, such as the Crowell-Collier Company's report on the automobile industry and many of the Curtis research publications.

Definite Figures. The "U.S. Census of Manufactures" used to report every second year the number of employees in each industry, wages paid them, value of product of each industry, and the estimated value added by manufacture, together with data on raw materials used, electric power, etc. These figures were published in 1937, 1938, 1939, etc., but due to the Second World War and its emergency needs no general census of manufactures was taken between 1939 and 1947, though in some particular industries monthly figures were published. The census data show the total figures for an entire industry but they give no information regarding the output of a particular company, such information being regarded as confidential, and for many years treated strictly as such.

The U.S. census figures are valuable as presenting an over-all picture of each entire industry and the more important subindustries. The 1947 census covers 250,000 "establishments." After the data on manufactures were collected in 1947, the "Census of Wholesale and Retail Trade" was taken in 1948, and the "Census of Population" in 1950, each of these being projects of large scope, effort, and cost.

A sample census for later years, known as the "U.S. Annual Survey of Manufactures," was taken in 1949 and again in 1950, and is to be taken each year until 1953, when the regular complete Census of Manufactures is again to be undertaken. The 1949 and 1950 Annual (Census) Surveys cover about two-thirds of the industries, as measured by number of employees, and supply data for about

45,000 of the more important of the total of 250,000 establishments reported in 1947. These "Annual Surveys" provide up-to-date basic statistics on manufacturing to the business community, to government, and to the public during intercensal years, and "furnish a background against which defense agencies can measure the impact of their mobilization efforts on all important segments of manufacturing.

Data Regarding Particular Companies: McGraw-Hill Census of Manufactures. To supply the previous lack of specific information for particular manufacturing plants or companies, the McGraw-Hill Publishing Company's research department, under John C. Spurr, Director, began to collect figures showing the products made by each manufacturing plant having 20 employees or more, and the number of employees in each plant. These detailed data, prepared by its research department for its editors and circulation departments, were first gathered for 1945, and again for 1947, for 1949, and for 1951. This census covers some 70,000 plants, the cream of manufacturing in the United States. Having the names of each of these larger plants and knowing what they make and their size supplies to editors and circulation departments an unusually clear picture of the market which the plants constitute for hundreds of the industrial products advertised.

Number of Employees as a Measure. The number of employees in each plant and company is a most substantial yardstick, superior in many respects to figures showing the capitalization or credit standing of a concern, because such figures as supplied often refer to an entire company or group and do not indicate closely enough the size and importance of a particular plant or a small group of plants which a supplier wants to sell to. Another reason for the use of employee figures is that showing complete data for all plants (listing each one separately) makes possible the comparisons of sales to plants of similar size in different industries and of similar size in the same industry. This McGraw-Hill Census of Manufactures covers over 90 per cent of all United States manufactures, as measured by the "value added by manufacture" of all manufacturing plants reported by the U.S. census. It provides thus a list of the

larger manufacturing establishments most useful to those who wish to sell to those plants having over 20 employees.

Useful to Examine All Companies in an Industry. Examination of substantially *all* the companies in a particular industry or subindustry, made possible by this method, is likely to reveal as prospects companies that have been *omitted* in earlier selling efforts, sometimes because other purchasing agents were easier to see. The great value of the McGraw-Hill Census of Manufactures is that it supplies to their editors the *names* of particular companies in each industry (which the U.S. census does not do). It also enables the thoroughgoing sales or advertising manager to call on concerns where his product has never had an entry, disclosing sometimes the needs of a whole group of new prospects. So, too, perusal of a list of *all* the plants in a particular *district* or area may indicate a geographical grouping of customers well worth intensive canvassing by a capable salesman.

Classify Customers by Size. The size of the industrial consumer is always a prime factor to be considered. Contact with the *large* and *medium-sized* companies in an industry or locality, or with those that purchase in substantial volume, makes it possible to avoid concerns too small to merit time or attention. At the same time, it includes companies of moderate size. While there are several possible bases for classifying industrial customers—their credit standing, annual dollar sales, or the number of carloads of goods shipped weekly—the number of factory employees reported by the government for entire industries and subindustries permits comparison of plants in successive stages or processes. While U.S. census data are useful as showing the value in dollars of the output of the *entire industry* and permit setting up a ratio of the company's sales to the total sales of the industry, the detailed information available for a given product or line of products enables each company collecting such data to analyze its information by subindustries, or to confine it to a particular segment or a particular city or district. Breaking up an unwieldy or less meaningful total into smaller and significant units, and combining the figures of particular companies in a new way, provides a basis for understanding the reasons for some outstanding sales success or failure.

The rating of a prospect, i.e., the estimate of what may be expected from a particular plant, warehouse, department store, or institution, is more readily done when there is a measure of size for each. Classification by product or line of products naturally precedes classification by size of plant, since the company is interested in determining why one product or another is slow or strong.

Recognizing Competitor's Good Points Saves Waste of Effort. Defining and measuring the market carefully and accurately has another effect, and that is recognition of the excellencies of competing products and understanding of why customers like them in certain areas or in general. This prevents assigning salesmen to handle lines not equal to, or superior to, competing products, and avoids wasting time in fields of strong sales resistance. This live-and-let-live policy is both more economical and more sensible. This does not mean knuckling down before a competitive item, but merely a frank acknowledgment of the realities of certain situations. This is likely to lead to more rational and truthful advertising, with a consequent increase in public confidence in the claims made for all products. On the positive side, with this perspective, the executive and his assistants are more certain of the points of real superiority of their product and are prepared to utilize these points in their advertising and sales effort.

Summary of Advantages of Detailed Census Method. This type of census, which each company should make of its possible prospects, permits:

1. Discovery of potentially promising areas where present customers constitute only a small section of those whose needs indicate opportunities for new sales; or, in other words, uncovers new prospects.
2. Conversely, indication of those areas where type of customers or competitive conditions make selling unprofitable. This presumes frank recognition of the strong points of competing products and of the need for sales efforts where they count most. It saves time previously wasted on unprofitable prospects.
3. On the basis of a comprehensive knowledge of markets, setting of fair quotas for salesmen in each territory, based on the consump-

tion of individual products by particular industries or groups of companies.

4. Rearrangement of sales territories to meet changing conditions.
5. Provision for effective sales control of each territory and its salesman.
6. Help to the sales manager in showing salesmen what areas or class of customers will produce new business.

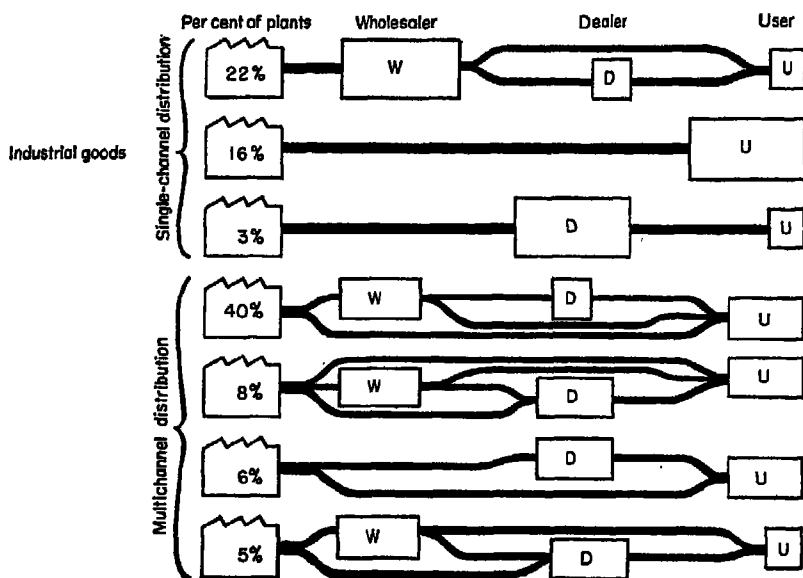


Figure 4-6

Study How the Product Moves to the Market. Another element to be examined in measuring the market is how the product gets to the market. Analysis of the *channels of distribution*, through which a product moves to a given market, enables the executive to decide what plan of *selling* or of *advertising* to employ, and what media or appeal to use.

The variety of channels through which industrial products are distributed in practice is shown in Fig. 4-6, which is part of a chart based on a survey of 1,200 plants by *Modern Industry* in 1947:³

³ Part of a chart in *Modern Industry*, May 15, 1947. Reprinted in Bradford, "Marketing Research," McGraw-Hill Book Company, Inc., New York, 1951, p. 79.

For each product, it is necessary to examine the sales channels used by the company and by competing companies, and the results of all the methods utilized in each area. Only then is it possible to decide what channels are preferable to reach existing markets, or those not yet covered.

The conditions under which the market can be reached differ with each product and may require different approaches. For example, a manufacturer of auto accessories, interested in adding brake lining to his expanding line, finds by analysis that the market has two distinct parts: one consisting of sales to automobile manufacturers and distributors in large units on a close margin, but with sales certain to be paid for; and the other comprising sales to auto accessory and repair shops, in much smaller quantities, but at a higher markup. To handle this latter business, a larger sales staff and an active credit department must be set up, requiring extensive reorganization of one section of the business.

Changing Conditions Affect Sales Methods. Changes which take place in lines previously regarded as stable may also lead to a shift in the method of distribution. The crosscut saw gives way to the faster but more expensive chain saw; plaster yields to wallboard and other substitutes, as hod carriers and plasterers become scarcer and their wages rise to high levels; and wallboard is handled more and more by wood products distributors and kitchen cabinet suppliers. The electric typewriter, replacing the old typewriting machine, calls for demonstration and special salesmen and service; wire and tape recorders, coming in to speed up dictation, bring special problems of introduction and advertising. These innovations, aimed to improve the industrial product, reduce costs of production, lessen the cost of upkeep, and reduce labor time and effort, and may mean an improved quality of product, an altered unit of sale, an effective appeal to a new set of consumers, or a brand-new product.

Understanding Economic Situation: The Business Cycle. The director of sales must understand and be able to analyze the various stages of the business cycle, with its ups and downs of construction in customer industries. He knows that these differ markedly from other changes

that take place from time to time in the national or regional economy. He may have an economist or other trained specialist to advise him. (A chart such as Fig. 4-7, if followed continuously, might be of help to those selling products used in residential building construction in New York State.)

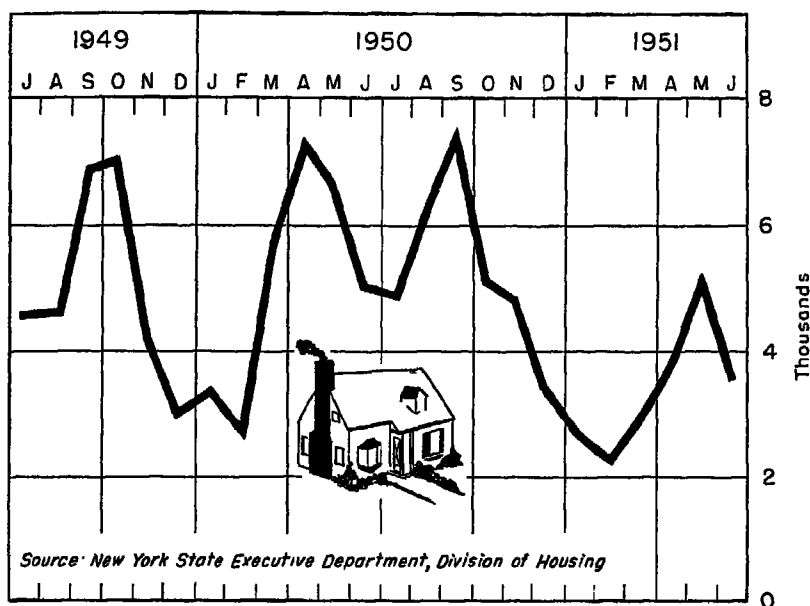


Figure 4-7

Regional Changes. The industrial marketer should also keep in touch with changes in each local economy, particularly in those sections where it is known that such changes are already discernible. In Georgia, for example, the transition from a cotton economy to one of diversified crops is very marked; it would be likely to affect sales to those buying cotton-ginning equipment and similar lines.

Trend in Customer Sales as Measure of Demand. Companies selling office supplies or warehouse equipment to wholesale grocers may be interested in the fluctuations in wholesale business during

Trends in Sales of Grocery Wholesalers, by Geographic Division

Geographic division and type of operation	October, 1951, panel		Per cent change in monthly sales		Per cent change in cumulative sales January to October			
	Number of establishments reporting	Sales (add 000)	Oct. 1951 from Oct. 1950	Oct. 1951 from Sept. 1951	1951 from 1950	1950 from 1949	1949 from 1948	1948 from 1947
United States *	858	\$154,205	+16	+12	+5	+8	-2	+3
New England.....	23	5,991	+16	+22	+3	+8	-5	+2
Middle Atlantic.....	88	25,120	+18	+18	+4	+11	-2	+5
East North Central.....	211	31,617	+18	+11	+7	+10	-1	0
West North Central.....	95	19,922	+7	+7	-1	+9	+7	+4
South Atlantic.....	101	14,514	+17	+10	+8	+5	-6	+3
East South Central.....	50	6,423	+16	+13	+7	+6	-10	-3
West South Central.....	119	16,907	+18	+7	+7	+2	-5	+5
Mountain.....	37	5,560	+12	+7	+8	+3	-6	-4
Pacific.....	128	26,088	+19	+18	+8	+8	-3	+5
Nonaffiliated full line wholesalers.	574	66,839	+15	+10	+5	+4	-1	+3
Voluntary group wholesalers.....	175	58,628	+15	+12	+4	+10	-4	+1
Retailer-cooperative warehouses..	21	10,176	+22	+6	+11	+10	+8	+13
Specialty line wholesalers.....	88	18,562	+18	+28	+6	+12	-6	+3

* Includes a number of establishments not assigned to a geographic division.

Note: Based on information submitted by wholesalers participating in the Monthly Wholesale Trade Report issued by the Bureau of the Census.

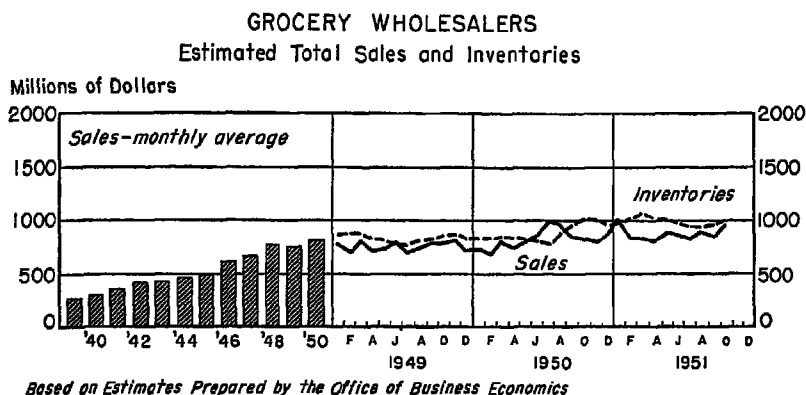


Figure 4-8

recent months, and the volume of sales in the various geographic divisions (see Fig. 4-8).

Character and Degree of Sales Effort Required. Any of these economic, regional, or industry factors may force a change in the character and degree of the sales effort needed, and may require study of the areas, industries, and customers affected. This step may lead to realigning sales territories, sales quotas, and salesmen. Finally, when the sales channels through which the markets are reached are thoroughly understood, one can better judge the volume and character of advertising needed to make the product adequately known.

Development of a new product, or the needed modification of an old product or products, may be promoted by instructing salesmen to talk with customers at sufficient length to determine to what extent present products do not meet the needs of customers, and what other and further needs they have. The salesman who is always interested primarily in selling present products should be urged to be on the lookout for new needs or demands, and provision should be made in his instructions and compensation for reporting worthwhile suggestions, based on talks with customers regarding their additional requirements.

What Peculiar Merit Has the New Product? "A new product or service needs to be different from all others in one or more characteristics," say Alderson and Sessions. "The power of a new product to break

into the established pattern of things is based on the contribution it can make to the pattern as a whole. . . . For every unique product there is a unique population . . . making up its potential market." ⁴

It is the job of the marketeer to locate and gauge this "population"; his understanding of the uniqueness of his product, on the one hand, and of the demand from companies which are likely to welcome it, on the other, constitutes the essence of the successful introduction of the new item. And the success of the promotional effort may also turn eventually upon instructing the customer how to use the new product, and what skills to teach to employees to make the product effective as an addition to existing operating equipment. Thus, measuring the market for a new product may include consideration of seeing to it that the product works satisfactorily.

Further, it sometimes happens that a certain group of prospects are more ready to accept a new (and supposedly better) product than are other prospects; therefore, in measuring the market for the product, it may be feasible to divide prospects into primary and secondary ones, the second group to require more promotional and explanatory effort.

Analyze Buying Motives. The industrial executive has another job, that of analyzing changes in the buying motives of his customers. These may vary under different conditions: motives that actuate the policies of purchasing executives over a series of years may alter under new conditions, and it is part of the duty of each producer to understand not only company buying policies, but also the motives of the individual which influence purchasing. In general, however, the motives are rational and based on definite needs, and a product better adapted to a given set of needs may be most effective as an appeal to the industrial purchasing committee.

Marketing Problem with a New Raw Material. Sometimes the marketing problem requires attention to several groups of prospects, and the promoting of a new concept regarding the product. The sales promotion manager of the Libbey-Owens Ford Glass Company, for example, explains: ⁵

⁴ Alderson and Sessions, "Cost and Profit Outlook," December, 1951.

⁵ Reprints from *Industrial Marketing*, p. 47, by Michael A. Brown, Jr.

[In the case of a new plastic] the new material presents several unusual characteristics. It can be molded at much lower pressures and greater speed than previous materials, in addition to giving several unique physical properties to parts molded from it. These features permit molding methods greatly improved over molding methods for conventional plastics. Although conventional machines will mold this product, the fullest advantages of the new material are realized on machines developed specifically for it.

The company thus had the problem not only of introducing a new material but also of promoting a new concept of plastics molding.

Introducing the new material was further complicated by the distribution pattern of the plastics industry. Plastic materials are made by some 25 companies that operate chemical process plants. The materials are sold to more than 1000 molders and fabricators who operate the machinery necessary to form the materials into particular parts and products.

The molders and fabricators, in turn, sell to retail stores or to manufacturing companies in the industries that employ plastic parts. This latter group, described as end-users by the plastics industry, is the key to the introduction of a new material.

End-users, although they are direct customers only of the molders, must be cultivated by the material manufacturers with the hope that they will recognize the characteristics of a new material and specify it to their molders. A large part of the advertising and promotion job in plastics is to establish contact between the material manufacturers and end-users who are not even potentially direct customers of the advertisers.

The primary selling job to molders and fabricators is carried out by the manufacturer's sales force working directly with molders and fabricators, with only moderate assistance in the form of advertising. But the larger selling job of reaching end-users must, of necessity, be carried out largely by advertising with assistance of manufacturers' salesmen making personal calls on end-users.

Study Appeals in Advertising. In advertising, the primary appeal may consist of a more complete explanation of the points of superiority of the product—points sometimes overlooked by those too close to the product and whose determination to sell is so strong as to lead them not to stress all the factors which may make the product outstanding in its class. Here, the sales analyst may provide the salesman with a more complete list of items of merit and their relative importance—items that will be grasped at once by the prospective purchaser.

Sampling the Market. The smaller number of industrial buyers makes sampling less important in industrial marketing, except in certain widely used articles; a census may be easily made of all probable sizeable buyers, in many instances. Where the usefulness of sampling is indicated, the sampler should keep in mind the two essential principles: (1) the sample should be representative of the whole field of demand, and (2) should be large enough so as to be clearly representative. The use of *cluster sampling* may be helpful where the clusters are so located as to assure proportionality. In this respect, a study of a text on sampling may prevent mistakes due to imperfect or other unsatisfactory methods.⁶

Industrial Interviews. Interviews with industrial consumers need to be done with care by a competent interviewer, whose acquaintance with technical or semitechnical matters is sufficient to enable him to measure exactly the views of the persons interviewed. The industrial interviewer must thus be highly skilled and be able to talk to the purchasing executive in his own language. Interviews in depth of a technical or semitechnical character may yield excellent results and develop new ideas, or suggestions for new products—this when the skilled interviewer draws out and develops further a half-formed idea from those who represent the users of the machine or device.

Organization Changes May Result. Market measurement may lead, incidentally, to recognition of the need for replanning sales territories, changing sales quotas, instructing salesmen more completely in the good points of a particular product, or planning to save salesmen's time in calling on prospects.

A manufacturer of foundry equipment, for example, finding on analysis that about half the time of his salesmen was spent in getting to the customer's place and finding the right man to talk to, or waiting for someone to see, took on the job of card-listing all possible customers; each card contained instructions on the type of plant, how to reach each plant, exactly whom to call on, and if the

⁶ See Ferber, "Statistical Techniques in Market Research," McGraw-Hill Book Company, Inc., New York, 1949. Lorie and Roberts, "Basic Methods of Marketing Research," McGraw-Hill Book Company, Inc., New York, 1951. Parten, "Surveys, Polls and Samples," Harper & Brothers, New York, 1950. Others.

first man was out, whom else to see. This was supplemented by a detailed map of customer locations and resulted in the assignment of each salesman to the most appropriate and economical sales territory. In this way, every effort was made to help salesmen to succeed in marketing the product of the company, and in earning increased salaries or commissions.

A related study of the internal organization of the company in respect to sales control may yield large returns, owing to the effective application of carefully planned industrial marketing research.

Room for New Ideas; New Products Mean New Markets. The ramifications of business enterprises in the American economy, with its manufacturers, wholesale and retail outlets, utilities, banks, offices, stores, service stations, institutions, and other business places, suggest to the industrial marketeer the wide field and the great number of products demanded. At the same time, the volume of business for particular items must be sufficient to warrant mass production of the goods and services. The job of defining and measuring this extensive market for industrial products requires close analysis of the size and character of the demand, and a scientific and thoroughgoing study of how to meet each part of it most effectively.

Conversely, new markets require new products. The appearance of an extensive new market may suggest the examination of the needs of that market and which of these needs the producer is equipped to meet with a family of appropriate products.

List of References. No effort is made here to list the great number of books and articles now available on marketing in general,⁷ and industrial marketing in particular. An excellent short list of references on industrial marketing research is found on pages 7 and 8 of a University of Texas bulletin entitled "Selected and Annotated Bibliography of Literature on Marketing Research" (December, 1950). Magazines such as *The Journal of Marketing*, *Industrial Marketing*, *Sales Management*, and *Printers' Ink* have many articles on industrial marketing.

⁷ For a more complete bibliography, see Ernest S. Bradford, "Marketing Research," McGraw-Hill Book Company, Inc., New York, 1951, Chap. 18, Sources of Information. Also American Marketing Society, "The Technique of Marketing Research," McGraw-Hill Book Company, Inc., New York, 1937, pp. 403 to 422.

Data Books. For those who desire a short list of data books containing statistics of industries and trade, there are:

1. "Statistical Abstract of the United States" (Annual), U.S. Department of Commerce: The "bible" of the industrial statistician. Covers government statistics on manufacturing, commerce, wholesale and retail trade, population, etc. (Up-to-date within about 1½ years.) Data of 1950 population in 1951 Abstract.

2. "Survey of Current Business": Monthly statistics of manufacturing and trade. (About 2 months behind; comprehensive and very useful.) A current review of business statistics.

3. "U.S. Census of Manufactures," 1947 (also, "Annual Survey of Manufactures," 1949 and 1950, a sample covering about two-thirds of the total volume of manufacturing): Data for particular industries, states, cities (employees, output, payroll, etc.).

4. "U.S. Census of Business": (wholesale and retail trade—construction, service industries, etc.) 1948. Retail and wholesale business by states, cities, counties, kind of business, etc.

5. U.S. Department of Agriculture: Bureau of Agricultural Economics (annual and special bulletins—production of farms, crops, prices, etc.).

6. U.S. Bureau of Labor Statistics: Consumer prices (cost of living), hours of labor, etc., *Monthly Labor Review*.

7. Many other government bureaus and departments: Federal Reserve Board, Commissioner of Internal Revenue (tax data), Federal Trade Commission, Security and Exchange Commission, etc.

Private Sources—General:

"World Almanac," 1952.

American Management Association publications.

Trade journals in particular lines.

College Bureaus of Business Research.

Trade associations—members, bulletins, proceedings.

Research foundations.

Scientific and technical societies—members and proceedings.

Annual Market Data and Directory number, 1952, *Industrial Marketing*, Chicago 11, Ill.

Editor & Publisher "Market Guide" (annual), 1700 Times Tower, New York.

Special Libraries. A number of companies have set up special libraries, either separately or as part of their market-research departments. A small special library is of the greatest value in keeping the sales executive in touch with what is going on in industrial marketing, with matters relating to business in general, and with the executive's particular industries. The special librarian knows how to bring together printed material, *i.e.*, what books to buy and have at hand, what journals to subscribe to, what magazines to clip or to put on the desk of the executive. This is one solution of the problem of providing the executive promptly with pertinent up-to-date printed material on products, markets, and processes.

Chapter 5: SELECTION OF MEDIA

by William Schink

MEDIA DIRECTOR,
G. M. BASFORD CO., INC.

Media, in marketing language, simply means the various methods a company employs in sending its message to the customers and prospective customers it wishes to reach. Radio and television; catalogues; direct-mail pieces; car cards in subways, trains, or buses; outdoor billboards; magazines and newspapers—all are media. Each is a medium used by the advertiser as a vehicle to carry his message to the people he wants to reach and try to influence.

The advertising department of an industrial concern may be interested, in varying degrees, in all of the media mentioned above. We can say, however, that general magazines, radio and television, newspapers, billboards, and transportation advertising are thought of primarily as “consumer” media, and are used primarily to stimulate the sale of consumer products, or products used by everyone, such as shoes, toothbrushes, automobiles, or pillow slips.

Industrial products place most advertising in industrial media, which are business and industrial magazines, direct mail and sales promotion material, and catalogues.

There are exceptions to this, of course. Many times we have seen an advertisement sponsored by a big industrial firm appearing in “mass coverage” magazines, or in a newspaper, or even broadcast over the radio. And there are magazines often referred to by advertising men as “management media.” These are magazines which carry both consumer and industrial advertising, such as *Time*, *Business Week*, and *U.S. News & World Report*.

In the broadest sense, however, we are safe in saying that consumer products devote the greater share of their advertising expenditure to consumer media, and industrial products to industrial media.

The industrial media are: business and industrial magazines, direct mail, house organs, sales promotion material, and industrial shows and exhibits.

All these, except the magazines, are treated as industrial advertising media in separate chapters of this volume. For this reason, this chapter will concern itself with the selection of magazines as media for industrial advertising. This is no small task. The Business Publication Section of "Standard Rate & Data Service" lists information on approximately 2,000 publications which are grouped under 159 market classifications. *Industrial Marketing* magazine's "Market Data Book" lists 2,500 separate business publications and groups them in 251 market classifications.

For the advertising media man who wants to spend money in a business magazine, there is plenty of opportunity to do so. The problem is to select the publications that will come closest to accomplishing his purpose, *i.e.*, influencing the greatest number of customers and prospective customers for his client's product, at the lowest cost.

The selection of media to fit the market depends first of all on a clear and well-measured definition of the market itself. Markets are people and, in industry, a market usually exists because of what these people do for a living.

For example, if you were buying advertising to promote the sale of a large boiler, you would seek men in the power field—men who make their livings as power engineers, or men who hold responsible jobs in directing or operating the power services. Similarly, if your product is a sewing machine used in the manufacture of shoes, you would look for a medium to carry your advertising to the men who direct and operate shoe factories. Markets may depend to some extent upon other measurements, but the most common denominator is the occupation of the people in it. (The measurement and definition of industrial markets is examined in another chapter of this book.)

When you have determined who the people are who use your product in their work, you look for the business magazines they turn to in order to get information to help them do their jobs.

In two different ways, business magazines are commonly divided into large and rather loose classifications: First, there are the "vertical" and "horizontal" publications. A "vertical" publication is so

named because it serves the narrow confines of one specialized industry. *Coal Age*, for example, is called a "vertical" publication because it is concerned with the mining and marketing of coal.

Mill and Factory, on the other hand, is a "horizontal" publication because it is concerned with the direction and operation of mills and factories, and its interests are spread broadly or "horizontally" throughout industry.

The second common classification divides business magazines into three equally loose and overlapping groups: (1) trade or merchandising magazines; (2) industrial magazines; and (3) class magazines.

Trade or merchandising magazines are concerned with sales and distribution. *Electrical Merchandising* is a good example. It devotes its editorial interests to the merchandising of electrical appliances. *Chain Store Age* is another example; its editorial field is obvious from its title.

Industrial magazines cover the administration and operation of an industry in all its technical and commercial aspects. Examples: *Steel*, *Textile World*, *Electric Light and Power*.

Class magazines are so called because they direct their services to a professional or vocational group. An example is *Journal of the American Medical Association*.

The large classifications noted above will become familiar with association and, as a matter of fact, they are not basically important in the selection of media to fit your sales problem. For remember that markets are people and your first problem (to be a little repetitive) is to find out who the people are who use your product in their work, and then to investigate the magazines they turn to for information to help them do their jobs better.

(Publishers of business magazines have two methods of circulating their publications: (1) by charging a subscription price to the reader, and (2) by mailing the publication to him without charge.)

Publications following either method have organizations that furnish auditing or control authority for the purpose of circulation verification. For the publications that charge a subscription price, this organization is the Audit Bureau of Circulations, commonly called ABC. It was created in 1914 and, according to its bylaws:

The objects of the Audit Bureau of Circulations shall be to issue standardized statements of the circulation of publisher members; to verify the figures shown in these statements by auditors' examination of any and all records considered

by the Bureau to be necessary; and to disseminate circulation data only for the benefit of advertisers, advertising agencies and publishers.

Each Publisher's Statement and each Audit Report issued to members shall embrace figures and facts bearing on the quantity, quality, distribution of circulation and circulation methods; thereby enabling quality as well as quantity to be established. The figures in the Audit Report shall be those verified by Bureau auditors. Facts, without opinion, to be reported.

There shall be five classes of membership as follows:

- Advertisers.
- Local advertisers.
- Advertising agencies.
- Publishers.
- Miscellaneous members.

A typical ABC statement for a business magazine is reproduced on pages 93 to 96.

For the publications that are mailed without subscription charge to the reader, the organization is Controlled Circulation Audit, commonly called CCA. Its objectives, according to its bylaws:

a. to set up a series of questions, the answers to which will constitute a report which will give a comprehensive summary of facts that determine the advertising value of a controlled circulation publication;

b. to verify the publishers' statements in such reports by means of auditors' examinations;

c. to issue periodically, at least once each year, a report made by a representative of the Corporation on each publication member;

d. to disseminate pertinent data concerning its publisher members for the benefit of advertisers, advertising agencies and publishers;

e. to do, in general, all things permitted by law to advance the welfare of its members.

The reports issued to members shall embrace verified figures and facts, bearing on the quantity, quality, distribution of magazines, publishers' methods of obtaining such distribution, and any other facts which may be germane to the magazines as related to their value as advertising media.

There shall be four classes of membership as follows:

- Class A. Advertisers.
- Class B. Advertising Agencies.
- Class C. Publishers.
- Class D. Miscellaneous.

Whether a magazine is paid or free, however, is only one of a good many considerations by which a media list is compiled. There are a number of magazines that employ both methods, rounding out a

paid subscription list with free distribution to a segment of its audience.

In starting an investigation of business magazines to fit an industrial market, there are certain fundamentals which comprise the first steps. These include facts such as circulation, advertising rates, mechanical requirements, and frequency of publication. There are two widely used sources for basic data:

1. The Business Publication Section of "Standard Rate & Data Service." This is a monthly publication which lists pertinent facts about some 2,000 separate magazines, divided into 159 general market categories.

2. The annual "Market Data Book" of *Industrial Marketing* lists something like 2,500 separate business publications and divides them into 251 market categories. The editorial content of the "Market Data Book" is made up of a forecast and review article concerning each major market in American industry.

Both these books are widely used as reference material by buyers of advertising, in advertising agencies, and in industrial advertising departments.

The common method employed by media men in advertising agencies, and by other buyers of advertising space, is to set down all business papers pertaining to a market. Eliminations are then made, after careful study of the available facts on each magazine, until the list is in accord with the amount of money available.

What does this careful study include, in order to get the best coverage for the money invested?

Attention would probably be directed first toward the magazine's ABC statement or, if it is not a paid-circulation magazine, to the CCA statement. If neither, there is usually a "publisher's statement." To the experienced media man, these statements reveal a good deal more than total circulation. It is important, for example, to find out about circulation methods. What premiums or inducements were used to sell subscriptions? Does the magazine's circulation geographically fit the geographical distribution of your product? Do the readers, by title and job function, comprise the kind of audience you seek, in order to make this magazine the most economical and effective medium for a sales message about your product? Does the magazine's renewal percentage indicate that its readers have a volun-

tary urge to keep on reading it? On the other hand, a low renewal percentage might, in some cases, be an entirely healthy condition, since in a "dynamic" or swiftly changing market, you could not expect an extremely high percentage of readers to renew their subscriptions every year.

These are some of the pertinent facts to be ascertained through careful analysis and comparison of publishers' statements. There are other more subtle values to be determined after one has become familiar with a market and the magazines serving it.

Perhaps the most important information to look for in the CCA statement (one of which is reproduced on pages 97 to 101) is to determine how the mailing list is established and maintained, in order to make sure that your sales message is reaching the people you wish to reach and try to influence. Other information is available here, too, such as distribution by states, through which you can check the magazine's distribution against that of your product.

Since the media man's function, as we are now considering it, is to spend his client's money for magazine space, he will surely do his best to spend it most effectively. This means that he will place the client's sales messages where they have the best chance to be read by the most worth-while customers and prospects possible to assemble, for the amount of money available. In order to accomplish this end he will exhaust every possible means of investigating and evaluating the magazines serving his market.

About 1940, or around 12 years before the present writing, media men in agencies began to search for a standard form by which magazines serving industry and business could be evaluated more quickly and easily.

The need for such a form was passed along to the National Industrial Advertisers' Association, and a committee was appointed to draw up a form that would give publishers an outline for setting down all necessary information about their magazines in a sequence that would be standard for all publications. This would make it a great deal easier for media men and other space buyers to find the specific information they were looking for.

The NIAA committee devised a "Publishers' Sales Presentation Outline," which has won wide acceptance among buyers and sellers of industrial advertising space. This outline, as revised early in 1952, is reproduced on pages 102 to 109.

At the time this is written there are about 100 industrial publications which use the outline to present basic data to agencies and advertisers, and the number is growing. Most media men are highly in favor of its use, simply because it organizes and standardizes information which they must use every day.

One more source of media information is the promotion material sent out by industrial publications. Often it contains basic market information, current trends, and the tabulated results of surveys. It is a good idea to scrutinize all promotion and to file that which is useful in interpreting the market and the audience served by the various industrial magazines.

Finally, a most useful and dependable fund of data can be obtained from the men who sell space in industrial magazines.

At one time the magazine space salesman was a high-powered operator, whose mission was to sell advertising space no matter what method he used or promises he made. Those days, like the street corner medicine show with its banjo player and Indian chief, are gone forever.

Nowadays the successful media salesman in the industrial advertising field is a man who is well informed on the engineering and marketing facts of his industry. He is also very likely to be well acquainted with the men who are the national leaders of his industry, as well as with a great many others who hold important jobs.

His function is to help the advertiser make the most intelligent and effective use of the space he buys, so he is willing to go to considerable effort to provide all the information he can dig up which will contribute to this end. He has found that the best selling method is to provide the most helpful information.

In this chapter up to this point we have made note of the basic information to be assembled in arriving at a media list for publication advertising in the industrial field. It would be a good idea to summarize the separate steps briefly:

1. Define the market clearly.
2. List all business magazines serving this market.
3. Investigate and compare these publications through:
 - a. "Standard Rate & Data Service."
 - b. *Industrial Marketing's* "Market Data Book."

- c. ABC statements, CCA statements, or publishers' statements.
- d. NIAA Presentation Outline.
- e. Evaluating and filing pertinent promotion material.
- f. Media salesmen.

Those are the first steps to be taken by the media fledgling, and they become second nature with experience and application. Soon he has a good many basic media facts in his memory, ready for immediate use.

But, as in all fields of endeavor, there are subtle values in media—values used to good advantage by experienced buyers of space, which they have learned only by living for many years with the problems of their daily work.

For a media man is himself a medium. He must determine where an advertising appropriation is to be spent. He must be able to justify his selection of media with soundness and persuasion, so that the account executive in his agency may, in turn, justify the schedule to the advertiser.

With this in mind, it is easy to see that the media man can be an important link indeed in the chain of separate operations that leads to an effective advertising program.

The media man can use a great deal of knowledge relating to the market for his product. For, unless he understands the dimensions of this market, how can he make the best choice of media to serve it?

In order to learn the market he will be in close contact with the account executive and with copy and research men who are working with him on the account.

Many media men have themselves gone out into the field, to talk to readers of industrial magazines and to talk to men associated intimately with the product, both in its use and in its manufacture. There is no substitute for gaining this kind of first-hand knowledge of the product's use and adaptability—nothing is so rewarding as actual field calls.

The media man is also keeping track of the sales and advertising activity of competitive products. What sales approaches are the competitors using? What magazines are they using to carry their messages, and how many pages are they devoting to any specific product?

One of the established values of advertising is to maintain a competitive position. It is generally agreed that as long as the name,

function, and performance facts about a product are kept alive in the minds of the men who make up a market, the competitive position of a product is safeguarded.

In order to accomplish this, the media director would need to know as intimately as possible, and at all times, what his competition is doing to promote sales.

So, in addition to his basic knowledge of facts and figures concerning the business magazines he buys, the media director will want to be well versed in markets and competitive advertising.

He will also want to know as much as he can about the product itself, its uses and performance advantages. Generally he learns this from the account executive, although it is not uncommon for the media director to talk to the advertising manager of the client company.

Returning to the business publications in which he buys advertising space, there are values somewhat less obvious and harder to come by than the basic information discussed in the beginning of this chapter and summarized above.

Readership is one. Without readership all other facts and figures are meaningless, for the most beautifully laid-out advertisement, written with consummate care and after extensive study, is worthless until it is read by people who are in a position to buy or influence the buying of the product.

The question of readership can pose a difficult problem for the competent media man who wishes to do a thorough job in selecting industrial magazines. The buyer of space in a consumer magazine or in a management magazine is usually familiar with the editorial content of the magazines he buys. If he purchases advertising space in *Life*, or *The Saturday Evening Post*, or *Harper's*, or *Newsweek*, he has first-hand knowledge about the editorial job these magazines are doing because he reads them—some regularly and some occasionally. Through his own taste and judgment he is able to ascertain to some degree whether these magazines have the character and appeal he wishes of a vehicle to carry the sales message for his client's product.

But he obviously cannot read the industrial magazines he buys. He may have products in several fields: chemical, textile, electrical, and the power field. There would not be time to read the various

papers serving these fields, even if he had the technical knowledge to do so, which he hasn't.

Consequently, he must resort to other means to judge readership and editorial values. For he knows very well that unless the magazine is good enough editorially to win and hold readers, the advertising he places therein will do little good in attracting buyers for his client's product.

One method for gauging readership in industrial magazines which has been used for a good many years, and which has increased in usefulness lately, is the readership survey conducted by the client company over its own list of customers and prospects.

This method usually takes the following lines of procedure: Say that the manufacturer of corrosion-resistant piping wants to make the best possible selection of media serving the chemical field; his piping can be widely used in industries that do chemical processing.

He devises a questionnaire which he sends to his own mailing list of customers and prospects. In recent years there has been a marked tendency towards simplicity in these questionnaires. Usually there are only three questions:

1. What magazines of all types do you read regularly?
2. Please indicate which of these magazines you find most useful in your job.
3. Please write down your industry and your title or job function.

The first question is asked because all magazines, industrial or consumer, compete with each other for a reader's time. The second question is important because it brings preference down to the industrial field, and job-usefulness is the basic test of an industrial magazine. The third question is a good indication of the respondent's importance as a buying influence.

Since there is no necessity for the respondent to give his name, or to identify himself in any way, there is a fairly good chance that he will tell the truth, although it is admitted that in all surveys there is often a tendency for the respondent to put down what he thinks he ought to: the inveterate reader of comic books might want to say that the *Atlantic Monthly* was his favorite.

However, readership tests have proved to be good measuring devices for preference in business magazines. As in all opinion surveys,

the wider the base the better. The more people you ask, the more definitive your results.

After the questionnaires are tabulated, the result is one good indication of the preferences expressed by readers and, as such, it can take its place with the other considerations by which the media list is finally resolved.

What does readership imply, after it becomes fairly well established in the media man's mind that one industrial publication is more thoroughly and regularly read than competing magazines serving the same field?

The first and basic fact, of course, is that the best advertisement is worthless until it is read. And nobody would deny that the advertisement has more chance of being read when the editorial content commands high readership.

The experienced media man, however, assigns other values to readership, which he has learned through his job. An industrial magazine commanding high readership nearly always does so because its editorial material is useful. The reader reads because he finds information that helps him in his job. If this information is useful and valuable to him, he comes in time to associate a feeling of trust and confidence in the magazine, and this feeling may carry over to the advertisements. For he often gets information from well-written advertisements which is also useful in his work.

Thus, readership on a high level, proved over many years, will lend prestige and confidence to the advertising it carries. And if a magazine delivers both readership and confidence, it is furnishing about the most valuable commodities an advertiser can buy.

Thus, it is easy to see that readership is by far the most important consideration when a media man is weighing one magazine against another as a medium to carry a sales message for his client's product.

In addition to all the investigations noted thus far, the thorough-going media buyer will investigate the editorial organization of the magazines in which he invests his client's money. He will know something about the background, qualifications, and standing in the industry of the editors. And although he will not attempt any thorough reading of the magazines, he can ascertain the standing of a magazine in its industry through talking to industry men and through his day-to-day association with all the sources of information at his command.

Having weighed all these facts carefully after balancing all the information he is able to assemble; and then, through elimination, having arrived at a selection of media which, in his opinion, takes his client's message to the market most effectively for the money available, he faces his most difficult job: That is, going before the agency principals and interpreting, selling, and defending his selection so convincingly that the agency's contact men can, in turn, convince the client.



Publisher's Statement - Business Publication

Issued by

AUDIT BUREAU OF CIRCULATIONS

123 NORTH WACKER DRIVE - CHICAGO 6, ILLINOIS

subject to annual audit

1. Power
Published by
McGraw-Hill Publishing Co Inc, 330 West 42nd Street, New York, N. Y.
2. Publication established 1880
3. Published Monthly except June, Semimonthly
4. This publication is not the official organ of any association.
7. Industry or Field Served — Power generation, transmission, application and attendant services.

8. Average circulation for issues dated January through June, 1952:

Subscriptions.

Individual Subscriptions	40,953
Mail Subscriptions Special (Group subscriptions purchased by companies for their employes, branches and subsidiaries) See Par 28(a) . .	4,911
Term Subscriptions in Bulk (Group subscriptions purchased for other than employes, branches and subsidiaries) See Par 28(1c)	149
Average Total Number of Subscriptions	46,013

Single Issues:

in quantities of 1 to 4	
in bulk quantities of 5 or more	

Average Total Number of Single Issues

AVERAGE TOTAL PAID CIRCULATION 46,013

AVERAGE UNPAID DISTRIBUTION

Advertisers	416
Advertising Agencies	157
Prospective Advertisers	10
Prospective Subscribers	
All Other Unpaid	1,128

Average Total Unpaid Distribution 1,741

AVERAGE TOTAL PAID AND UNPAID DISTRIBUTION . . 47,754

9. TOTAL PAID CIRCULATION BY ISSUES: (Total of subscriptions and single copies.)

Issue	Copies
Jan.	46,285
Feb.	46,280
Mar.	46,174
Apr.	46,067
May	45,978
June	45,629
Mid-June	45,680

6 Months Ending June 30, 1952
Power

Figure 5-1

Page 2
Power
6 Months Ending June 30, 1952

18. BUSINESS ANALYSIS OF TOTAL PAID SUBSCRIPTION CIRCULATION for the May, 1952 issue: (Not an average for 6 months). NOTE—Total paid subscription circulation of this issue was 0.08% less than average total paid subscription circulation for period.

	Manufacturing & Mining Industries	Utilities	Service Estab- lishments	Consulting Designing & Construction Organizations
1. COMPANIES, FIRMS & EXECUTIVES	2,845	499	1,046	1,098
2. ENGINEERING DEPARTMENT HEADS.				
(a) Managers & Superintendents	2,944	981	1,314	215
(b) Engineers—Chief, Supervising, Plant, Power, Mechanical, Maintenance & Electrical; Chief Electricians & Master Mechanics	6,633	1,737	3,207	1,083
(c) Foremen & Department Heads with other titles	1,733	840	566	277
TOTAL	11,312	3,558	5,087	1,575
3. PLANT OPERATING STAFFS (Operating Engineers, Electricians, Staff Assistants & Office Employees)	5,863	3,045	2,902	595
4. SALES ORGANIZATIONS & DEPARTMENTS INCLUDING DEALERS & JOBBERS.....				
5. EDUCATIONAL INSTITUTIONS, TEACHERS, STUDENTS & LIBRARIES (for educational use)				
6. MISCELLANEOUS				
7. AWAITING CLASSIFICATION.....				
Total United States & Possessions & Canada.....	20,040	7,102	9,125	3,296
Foreign				
GRAND TOTAL				

Figure 5-1 (Continued)

Awaiting Classification	Total	GRAND TOTAL	%
10		5,486	13.91%
4	5,458		
13	12,701		
4	3,420		
27		21,579	51.30%
21		12,516	29.75%
.....		1,157	2.73%
.....		430	1.97%
.....		414	0.98%
.....		74	0.18%
58		42,066	100.00%
.....		3,912	
.....		45,978	

11. GEOGRAPHIC ANALYSIS OF TOTAL PAID CIRCULATION
for the May, 1952 Issue (Not an average for 6 months)
NOTE—Total paid circulation of this issue was 4.08% less than
average total paid circulation for period.

STATE	Subscriptions	Single Issue Sales	TOTAL
Maine	197		
New Hampshire	148		
Vermont	39		
Massachusetts	1,821		
Rhode Island	333		
Connecticut	828		
NEW ENGLAND	3,381		
New York	5,480		
New Jersey	2,187		
Pennsylvania	2,544		
MIDDLE ATLANTIC	10,171		
Ohio	2,883		
Indiana	894		
Illinois	2,298		
Michigan	1,798		
Wisconsin	1,687		
EAST NO. CENTRAL	8,348		
Minnesota	996		
Iowa	650		
Missouri	808		
North Dakota	135		
South Dakota	84		
Nebraska	293		
Kansas	335		
WEST NO. CENTRAL	2,413		
Delaware	308		
Maryland	723		
District of Columbia	330		
Virginia	306		
West Virginia	393		
North Carolina	438		
South Carolina	228		
Georgia	358		
Florida	440		
SOUTH ATLANTIC	3,631		
Kentucky	292		
Tennessee	461		
Alabama	253		
Mississippi	103		
EAST SO. CENTRAL	1,111		
Arkansas	250		
Louisiana	361		
Oklahoma	261		
Texas	1,123		
WEST SO. CENTRAL	2,635		
Montana	167		
Idaho	126		
Wyoming	49		
Colorado	345		
New Mexico	212		
Arizona	153		
Utah	152		
Nevada	45		
MOUNTAIN	1,309		
Washington	685		
Oregon	437		
California	2,796		
PACIFIC	4,118		
Unclassified			
UNITED STATES	34,649		
U. S. Territories	367		
Canada	3,610		
Foreign	3,759		
Miscellaneous			
Military Service or Civilian			
Personnel	153		
GRAND TOTAL	45,978		

Figure 5-1 (Continued)

(Gaps in paragraph numbers are due to omissions of paragraphs not applicable to business publications.)

**ANALYSIS OF SUBSCRIPTION SALES — NEW & RENEWAL
FOR 6 MONTHS ENDING JUNE 30, 1952****12. PRICES authorized for sale of this publication:**

(a) Basic prices: Subscriptions. 1 yr. \$4.00; 2 yrs. \$6.00; 3 yrs. \$8.00	
Single copy 50c	10,000
(b) Prices higher than basic: Canada: 1 yr. \$5.00; 2 yrs. \$7.00; 3 yrs. \$9.00. All Other Countries: 1 yr. \$12.00; 2 yrs. \$18.00; 3 yrs. \$24.00	795
(c) Combination sales prices. Combinations consisting of this publication and other publications offered for from \$3.00 to \$50.00	1,530
(d) Prices established for sales in quantities: 1 yr. \$3.00 in quantities of 5 or more subscriptions	None
(e) Association subscription prices:	70
(f) Special reduced prices: 1 yr. \$3.00 to Professors, In- structors and Senior Engineering Students	

TOTAL SUBSCRIPTIONS SOLD IN 6 MONTH PERIOD 12,481**15. CHANNELS OF SUBSCRIPTION SALES:**

(a) Subscriptions by mail to publisher	5,983
(b) Catalog agencies & independent agents	1,344
(1) Catalog agencies	None
(2) Independent agents	None
(c) Field selling staffs	5,354
(1) Publisher's own & other publisher Par. 22(c) ..	None
(2) Independent agencies	None
(g) Associations	None
(h) All other channels	None

TOTAL SUBSCRIPTIONS SOLD IN 6 MONTH PERIOD 12,481**17. PREMIUMS & COLLECTION STIMULANTS:**

(a) Sold without premium	8,416
(b) Sold with material reprinted from this publication Par. 22(d)	4,065
(c) Sold with other premiums	None
TOTAL SUBSCRIPTIONS SOLD IN 6 MONTH PERIOD	12,481
(d) Collection stimulants	None

19. DURATION OF SUBSCRIPTIONS SOLD:

(a) For four years or more	8
(b) For three years or more but less than four	6,283
(c) For two years or more but less than three	816
(d) For one year or more but less than two	5,290
(e) For less than one year	314
TOTAL SUBSCRIPTIONS SOLD IN 6 MONTH PERIOD	12,481

21. ARREARS & EXTENSIONS:

Pending renewal, as of the May, 1952 issue, subscriptions earned 1 issue to 3 months beyond expiration	None
Is above representative of condition of list for all other issues covered by this statement? No. Other issues ranged from 0.39% to 2.67%	
(b) Average number of copies served beyond original expiration dates as result of extensions because of: Reduc- tion of subscription price effective with April, 1951 issue	2,636

22. RENEWAL PERCENTAGE 45.77%45.77% of the subscriptions that expired during the 12
months ending October 31, 1951, renewed.
7,526 of the 16,448 expirations renewed.**22. ADDITIONAL EXPLANATORY INFORMATION:**(a) Par. 8: Mail Subscriptions Special represents copies served on
yearly subscriptions sold to business concerns in quantities of 5 to 174
at \$3.00 and \$4.00, each for employee, mailed to names and addresses
furnished by purchaser. In some cases company pays half subscrip-
tion price and employee other half.(b) Par. 8: Term Subscriptions in Bulk represents subscriptions sold
to business concerns in quantities of 5 to 39 at \$3.00 and \$4.00, mailed
to names and addresses furnished by purchasers.(c) Par. 15(d) (1): The 5,354 subscriptions shown in this paragraph
represent only subscriptions received through Publisher's own field
selling staff.(d) Par. 17(b): Book or pamphlet of reprinted articles from previous
issues of paper, advertised value 50c or less, free with subscriptions
for one, two or three years at basic subscription prices.We hereby make oath & say that all statements set forth in this
statement are true.

J. E. BLACKBURN, Jr.

SHELTON FISHER

Vice-President & Director of Circulation

Publisher

Subscribed & sworn to before me this 15th day of July, 1952.

MARY C. MULCAHY

My commission expires March 30, 1953.

Notary Public

Figure 5-1 (Continued)

PUBLISHER'S STATEMENT

CONTROLLED CIRCULATION AUDIT, INC.
420 LEXINGTON AVENUE NEW YORK 17, N.Y.

For 6 Month Period Ending
DECEMBER 1951
Released: February 13, 1952

MILL & FACTORY
Serial Number: 6831P

1. Name of Publication: Mill & Factory
2. Publishing Company: Conover-Mast Publications, Inc.
3. Address: 205 East 42nd Street, New York 17, New York
4. Established: 1927
5. Frequency: Monthly
6. Field Served and Definition of Recipient Qualification: General Industrial. The qualification for receiving Mill & Factory is authority or influence—regardless of title—in the buying of industrial machinery, equipment and supplies, this being determined on the basis of information supplied by the salesmen of a national network of distributors of industrial machinery equipment and supplies.

7. Average Total Distribution for Period Covered by This Statement:

Average Controlled Circulation mailed in individual wrappers or otherwise individually addressed	40,592	Advertisers, Agencies, Exchanges, Advertising Prospects	838
Average Controlled Circulation, bulk	161	Other samples	207
Average Total Controlled Circulation	40,753	Unclassified	16
		Office file copies	107
		Average Total Distribution.....	41,921

8. Total Controlled Circulation by Issues for Period Covered by This Statement, Including Bulk:

Issue, 1951	Number on List	Issue, 1951	Number on List
July	39,629	October	40,559
August	39,848	November	41,849
September	40,319	December	42,314
		Totals	244,518

9. Removals from and Additions to Controlled Circulation During Period Covered by This Statement:

Issue, 1951	Number Removed	Number Added	Issue, 1951	Number Removed	Number Added
July	292	162	October	573	813
August	201	420	November	418	1,708
September	465	936	December	1,036	1,501
			Totals	2,985	5,540

10. *Business and/or Occupational Analysis of Controlled Circulation Based on Issue of: December, 1951. This issue is 4.63% or 1,873 copies above average of other 5 issues reported above.*

	Total	Percentage
Company Officials	7,643	18.12%
President, Vice President, Treasurer, Secretary, General Manager, Manager, Resident Manager, District Manager, Owner Proprietor, Partner, Co-Partner.		
Plant Executives	17,483	41.45%
General Superintendent, Plant Superintendent, Plant Production Superintendent, Production Department Manager, Plant Manager, General Car Foreman, Materials Supervisor, Production and Maintenance Manager, Maintenance Foreman, Master Mechanic, Chief Metallurgist, Machine Shop Foreman, Machine Superintendent, Storekeeper, General Foreman, Mill Manager, Mechanical Superintendent, Machine Shop Superintendent, Traffic Superintendent, Construction Superintendent, Electrical Superintendent, Mill Foreman, Manager of Stores, General Piping Superintendent, Project Manager, Manager Transportation, Department Superintendent, Tool Supervisor, Shop Superintendent, Machine Repair Foreman, Chief Millwright, Works Manager, Superintendent, Production Manager, Superintendent of Maintenance, Shop Supervisor, Tool Room Superintendent, Technical Room Foreman, Technical Superintendent, Superintendent of Light, Heat & Power, Factory Superintendent, Superintendent of Public Works, Superintendent of Utilities, Manager Power Production, Supervisor of Plants, Industrial Superintendent, Diesel Superintendent, Vice President of Production, Vice President and Superintendent, Superintendent of Tool Crib, Smelter Superintendent, Machine & Die Shop Superintendent, Tool Planner, Tooling Superintendent, Chief Inspector, Supervisor Process Planning, Metallurgist, Quality Control Supervisor, Foreman of Large Machining, Mechanical Equipment Superintendent, Tool Estimator, Millwright Foreman, Heat Treating Superintendent, Machine Setup Supervisor, Supervisor of Tooling, Product Manager, Die Maintenance Superintendent, Production Coordinator, Foreman Model Shop, Superintendent Tool Trouble, Tool Store Superintendent, Sheet Metal Shop Superintendent.		

	Total	Percentage
Engineering Executives	6,037	14.31%
Chief Engineer, Plant Engineer, Electrical Engineer, Resident Engineer, Structural Engineer, Design Engineer, Maintenance Engineer, Tool Design Engineer, Chief Production Engineer, Welding Engineer, Industrial Engineer, Chemical Engineer, Safety Engineer, Works-Steam Engineer, Chief Plant Engineer, Staff Engineer, Plant Layout Engineer, Manager of Engineers, Vice President and Engineer, Equipment Engineer, Mechanical Engineer, Production Engineer, Abrasive Engineer, Project Engineer, Methods Engineer, Manufacturing Engineer, Area Engineer, Process Engineer, Power Engineer, Standards Engineer, Research Engineer, Carbide Engineer, Works Engineer, Heating & Ventilating Engineer, Lubricating Engineer, Tool Engineer, Field Engineer, Control Engineer, Experimental Engineer, Electronic Engineer, Ordnance Engineer, Metallurgical Engineer, Application Engineer, Supervisor Tool Design, Estimating Engineer, Chief Tool Engineer, Chief Draftsman, Factory Service Engineer, Tool & Die Supervisor & Designer, Gage Engineer, Supervisor-Production Engineering.		
Procurement Executives	4,352	10.32%
Buyer and Superintendent, Supply Manager, Purchasing Supervisor, Purchasing Engineer, Purchasing Agent, Purchasing and Production Manager, Division Purchasing Agent, Supervisor of Supply Procurement, Works Buyer, Shop Buyer, Supply Manager, Senior Buyer, Engineering & Works Buyer.		
Company Only	249	9.59%
Other Titles, No Titles, and Titles Still to Be Determined	3,741	8.86%
Total Industrial	39,505	93.65%
Industrial Distributors	1,975	4.68%
Government, Schools, Colleges, Libraries, etc.	699	1.67%
	42,179	100.00%
Bulk	135	
Total Names on List.....	42,314	
Average for Period.....	40,753	

**11. State, Province or Other Geographical Area Breakdown of Controlled Circulation
Based on Issue of: December, 1951**

State	Number on list	State	Number on list
Maine	255	Missouri	713
New Hampshire	207	North Dakota	4
Vermont	177	South Dakota	8
Massachusetts	2,171	Nebraska	145
Rhode Island	319	Kansas	110
Connecticut	1,256	West No. Central	1,823
New England	4,385		
		Arkansas	164
New York	3,342	Louisiana	532
New Jersey	1,976	Oklahoma	439
Pennsylvania	4,098	Texas	1,165
Middle Atlantic	9,416	West So. Central	2,300
Delaware	142	Montana	16
Maryland	552	Idaho	110
Dist. of Columbia	40	Wyoming	51
Virginia	500	Colorado	145
West Virginia	431	New Mexico	34
North Carolina	748	Arizona	152
South Carolina	312	Utah	282
Georgia	501	Nevada	35
Florida	510	Mountain	775
South Atlantic	3,736		
		Washington	476
Ohio	4,382	Oregon	406
Indiana	1,598	California	2,560
Illinois	3,230	Pacific	3,442
Michigan	3,237		
Wisconsin	1,142	Bulk	135
East No. Central	13,589		
		United States	42,164
Kentucky	613		
Tennessee	812	U.S. Territories	95
Alabama	876	Canada	8
Mississippi	262	Foreign	47
East So. Central	2,563	Miscellaneous	—
		Grand Total	42,314
Minnesota	273	Average for Period	40,753
Iowa	570		

12. (Option 1) *Verified Controlled Circulation Based on Issue of: June, 1951*

(Option 2) *Comprehensive Statement as to Source of Supply of Names and Provisions Made for Keeping List Up-to-date*

(Option 1)

Sources and methods of verification and number verified from each:

Direct to publisher by mail from addressee.....	32,515	81.78%
Verified by Industrial Equipment Distributors.....	5,517	13.88%
Trade Directories (Special Distributor List).....	943	2.37%
Total controlled circulation this issue, verified within period named	38,975	98.03%
Verifications in Process.....	784	1.97%
Total controlled circulation, issue of June, 1951.....	39,759	100.00%
Average for period.....	39,210	

PUBLISHER'S AFFIDAVIT

State: New York

County: New York

We hereby make oath and say that all statements set forth in the three pages of this report are true.

E. M. STANLEY, Vice Pres.

E. H. HOWARD, Circ. Dir.

(At least one of the above signatures must be that of an officer of the publishing company.)

Subscribed and sworn to, before me, this 4th day of February, 1952

LEO F. HAGGERTY

Notary Public.

REMARKS OR COMMENTS BY AUDITOR

Average Controlled Circulation for last audit report for twelve months ending

June 1951 39,210

Average Controlled Circulation for this statement..... 40,759

Gain 1,543

IMPORTANT NOTE

The Controlled Circulation Audit, Inc. will make an audit of each publication member, covering the entire membership year. This statement will be audited, together with the following six months' statement. Although this statement has not been audited at this time, it has been carefully checked against previous audit reports and appears to follow the same pattern. Exceptions, if any, are noted above.

THE NATIONAL INDUSTRIAL ADVERTISERS ASSOCIATION

PUBLISHER'S SALES PRESENTATION OUTLINE

DESIGNED TO HELP ADVERTISING MANAGERS, AGENCIES
AND PUBLISHERS SELL SPACE TO MANAGEMENT.

The N.I.A.A. Outline represents a new concept of the relationship between the Space Buyer and the Publisher and his Salesman.

It recognizes the fact that the Advertising Manager and the Agency Executive are the ones called on to do the final selling of any particular paper to management. Generally, too, a paper must be sold in competition with many others on the same advertising schedule.

The effectiveness of the job these two men do depends largely upon the amount of information about the publication they absorbed from the Publisher's Representative and the promotional material they have on hand in a form they *can use*.

When called upon by management to justify their choice the A.M. and A.E. must be able to give a comprehensive picture of circulation, readership, markets covered, rates, mechanical information and other data just as effectively as the Publisher's Representative himself.

Audit Statements alone cannot provide this information. Their chief use is to show that the Publisher is doing an honest job, rather than to sell the paper to management. If this were not true, publishers would use the audit statement as a basis for their sales presentations—but everyone knows that this is not done.

As for the promotional material publishers furnish, much of it is effective and beautifully prepared—but there is no possible way the A.M. and A.E. can refer to such material and get the needed answers. Even if the answers are there—where will they look for them? One publisher stresses one point—another publisher ignores that point and plays up another. One publisher gives the information in a holder of loose sheets—another in a bound book—a third supplies a rate card and an audit statement.

The result of the confusion is that often a good paper is knocked off the schedule while one much less deserving is retained.

A.M. and A.E.'s should not be expected to make a convincing presentation of a publication and maybe 10 to 30 others from memory—or else dig through a lot of material that has no semblance of uniformity to the material furnished by competing papers.

Isn't it clear that what is needed to help A.M. and A.E. sell a publication or a schedule of publications to management are sales presentations furnished by all publishers based on some standard outline?

The N.I.A.A. Publisher's Sales Presentation Outline supplies such a guide.

INFORMATION EVERY SPACE SALESMAN SHOULD HAVE

The N.I.A.A. Outline takes 48 items of information that every salesman should know about a paper and arranges them in a logical sequence. It makes it possible to compare information given by one paper upon any subject with that given by all other papers upon the same subject. Each paper has a chance to sell its merits to best advantage.

The Outline in no way restricts a publisher's creative ability or makes a canned presentation out of his selling points.

A publisher can use one page or ten to get over his story on any subject. He can use color—or graphs—or pie charts to emphasize his point or to interpret dry figures into live selling facts. He can supply the A.M. and the A.E. with a presentation as effective as the one he furnishes his own representatives . . . and he can do it in a logical sequence as supplied by the N.I.A.A. Outline.

Then the Advertising Manager and the Agency man can convey to management information the Publisher would like management to have. If questions arise, answers can be found quickly for any or all publications. Each paper gets a real chance to show where it fits into the advertising picture in relation to all competitive papers.

This idea of a standard outline for Sales Presentations is not near as strange as it might seem.

Publishers use the same idea on Audit Statements—and for the same reasons, namely that one publisher can quickly show what he is doing as compared to another publisher.

Again most trade and industrial papers use a standard size—and practically a standard make-up. Table of contents are most always in the front of the book. Advertisers' Index is generally in the back. Yet there are no strings on the editorial content. Each paper uses its own ideas as to what it should do and say.

Isn't this idea applied to Sales Presentations equally sound?

SUGGESTIONS TO PUBLISHERS ON THE USE OF THE OUTLINE

The more information you put in your Sales Presentation based on this Outline the clearer will be the picture the A.M. and A.E. will get of the circulation, editorial policy, field and marketing possibilities you offer.

Anything that your own sales representatives can truthfully say should be included in your Presentation. When the A.M. and A.E. are trying to show that a publication belongs on an advertising schedule they need all the information they can get.

If an item in the Outline does not apply to your type of circulation, just mark it—"not pertinent." For example, an ABC paper may have nothing to list under Item 12, Part D, or under Item 14. Conversely, a CCA paper might have nothing to show under Items 15, 16, 17, and 18. On the other hand, many papers have valuable circulation obtained by both paid and controlled methods—hence, the form provides them with an opportunity to give as full a picture of circulation as they care to make.

If you do not care to give the information requested in any item, state the reason for not doing so. This is exactly what your salesman would do if someone asked him for the information. Give the A.M. or the A.E. an opportunity to pass on to management your reason for not giving the information requested.

Whether or not you care to give the information under an item, please reproduce the item as requested in the Outline in its proper sequence so that your presentation may be compared with that made by other papers.

Use as many pages as desired in your presentation but make the finished bulletin or book 8½ x 11 trim size. Then it can be easily filed or easily handled in connection with the presentations made by other papers.

All information you care to have the A.M. and A.E. have under any item should be given in your Sales Presentation. Addenda sheets, rate cards and the like should not be attached to the presentation.

Please be sure that one copy of your Presentation is filed with N.I.A.A. Headquarters, 1776 Broadway, New York 19, N. Y.

A presentation, as outlined here, will provide publishers' representatives, advertising agencies and advertisers with qualitative and quantitative information on markets covered, type of readers, circulation, editorial policies and other needed data to enable them to accurately compare any publication with others in the same field.

Use form as a guide only upon which to base your presentation.

In addition to statistical data, put in your presentation all market information, charts and selling information needed to give a space buyer an opportunity to justify his selection of your paper.

On items that do not apply to your type of circulation put only the notation, "Not pertinent."

WHO ARE YOU—HISTORY AND BACKGROUND?

1. Name of Publication?

2. Date of Presentation?

3. Name and Address of Publisher?

(If a charity or political organization, fill out completely the supplementary form for the purpose.)

4. Date of first issue?

5. Frequency of publication?

6. Is circulation audited by Audit Bureau of Circulations?

a. Is circulation audited by Controlled Circulation Audit?

b. If not, what form of proof of circulation will you furnish?

7. Is publication the official organ of any association?

a. What association?

b. Do association membership dues include subscription price?

c. If association membership dues include subscription price, what amount or proportion is credited to magazine?

WHAT MARKET DO YOU SERVE?

8. Class, industry, or field served?

9. Subdivision of class, industry or field or type of individual to which publication particularly appeals?

WHAT IS YOUR CIRCULATION HISTORY?

10. Average circulation per-issue-per-year and advertising rate, for the preceding ten years? (See Note 1.)

Year	Circulation		Page or Space Unit Advertising Rate on basis of one page or Unit per each issue throughout one year	Rate per thousand, based on items A, B, C, and D of paragraph 12
	Paid (A, B, C of Item 12)	Not paid (D of Item 12)		

a. Please explain any changes in rate during above period.

11. Total (paid and not paid) circulation per issue for the six months' period ending _____, and date each issue's mailing was begun and completed? (See Notes 1 and 2.)

Date	Circulation		Date mailing was	
	Paid (A, B, and C of Item 12)	Not Paid (D of Item 12)	Begun	Completed

12. Average total distribution for period stated in Item 11 (see Notes 1 and 2)?
- Subscriptions—addressed to individuals or attention of individuals?
 - Subscriptions—addressed to firms?
 - All other paid circulation (such as net single copy sales, and single issue sale in bulk)?
 - Total average number of copies mailed regularly without charge to individuals or firms for whom publication is edited?
 - Copies addressed to individuals or attention of individuals?
 - Copies addressed to firms?
 - If rotational method is used for part or all of list, append a comprehensive statement, showing number of names rotated and state period of rotation; if not periodic, append explanation of rotational system used?
 - Verification of copies mailed regularly without charge, other than stated in Item 6?
 - Advertisers?
 - Miscellaneous circulation of no direct benefit to advertisers, such as correspondents, advertising agencies, exchanges, complimentary, subscription salesmen, samples, employees of publisher, etc.?

WHAT ARE YOUR CIRCULATION POLICIES?

13. Qualifications, if any, determining eligibility to receive publication regularly—include only circulation under A, B, and D, Item 12? (See Notes 1 and 2.)
- Functional or occupational qualifications?
 - Financial or business-volume qualifications?
14. Information regarding section D, of Item 12?
- Give a comprehensive statement as to source of supply of names?
- What is your policy in placing names on your circulation list?
 - How do you determine the number of copies mailed to a large or small company?
 - Number of names removed from and added to circulation list during period covered by this report?

Added?	Removed?
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15. Authorized prices for sale of this publication during period stated in paragraph 11:
(See Note 2.)
- a. Regular prices: Single copy, Regular issue? Special issue?
Subscription, 1 yr.? 2 yrs.? 3 yrs.? 5 yrs.?
- b. Special subscription offers, all prices for various periods, including renewal and extension offers (not in combinations)?
- c. Combination sale prices for clubs including this with other publications?
- d. Group organizers' price for this publication alone?
16. Annual subscription expirations, renewals, and percentage of renewals, for the preceding five calendar years? (See Note 1.)

	Year	Year	Year	Year	Year
Expirations—(A subscription is to be considered expired with the date of the last issue for which payment was originally made.)					
Renewals—(A subscription is to be considered renewed if paid for within three months of expiration date and provided such renewal is dated back to actual expiration date.)					
Percentage of Renewals—(Renewals divided by expirations equal percentage.)					

17. Analysis of subscription sales for the preceding five calendar years? (See Note 1.)

	Year	Year	Year	Year	Year
Subscriptions direct to publisher by mail					
Catalog and Newspaper subscription agencies and other publishers					
Publishers own field selling organization					
Other field selling organization					
Associations (Explain)					
Other Channels (Explain)					
Total					

18. PERIOD (for period stated in Item 11—See Notes 1 and 2)?
 Less than one year?
 One year or more but less than two years?
 Two years or more?
19. COMBINATION SUBSCRIPTION SALES for period stated in Item 11—See Notes 1 and 2?
 a. Known combination sales?
 b. Known not to be in combination?
 c. Subscriptions received from intermediary unable to determine whether sold in combination or not?

TOTAL SUBSCRIPTION SALES,
 COMBINATION AND OTHERS? _____

20. PREMIUMS (for period stated in Item 11—See Notes 1 and 2)? In sales listed below as subscriptions sold with premiums, the premiums were offered by publisher or with his knowledge.
 a. Subscriptions sold with premium?
 b. Subscriptions sold without premium?

TOTAL SUBSCRIPTIONS
 SOLD IN PERIOD? _____

21. Average number and per cent of subscription-in-arrears, up to 3 months, per issue for preceding five calendar years.

Year	Number	%

WHERE IS YOUR CIRCULATION?

22. Breakdown of circulation into states and counties shown separately for paid and not paid (D of Item 12): Canada; individual territorial possessions; and individual foreign countries. Circulation in any county amounting to less than 1% of total for state may be grouped with circulation in other such counties under head "Other Counties." (If a county breakdown would not adequately represent your particular type of audience—please give breakdown by size of towns within state, such as under 10,000—over 10,000—or give whatever type of breakdown is needed to show coverage of buying influences throughout each individual state and explain your reasons.)
23. Breakdown of circulation by industrial classifications shown separately for paid and not paid (D of Item 12): Publications concentrating in one or more major classifications, such as food industries or process industries, should subdivide such major classifications.

WHAT TYPE OF READERS DO YOU HAVE?

24. Breakdown of circulation by occupational functions (job interests) for copies distributed under classifications A, B, and D only in Item 12. A and B may be combined, but show D separately.

WHAT IS YOUR EDITORIAL HISTORY—WHAT ARE YOUR POLICIES?

Additional Information

25. Average number of pages of editorial matter per issue during the last five years.
19_____ 19_____ 19_____ 19_____ 19_____
26. Average number of pages of paid-for advertising per issue during the last five years? (Not including advertising by publishers, donated space, space paid for with due bills, space paid for with merchandise, and advertising exchanged with other publications.)
19_____ 19_____ 19_____ 19_____ 19_____
27. What percentage of your advertisers have been with you for more than one year? What percentage of your advertising volume does this represent?
28. Who comprise the Editorial Staff and what special fitness have they for addressing your particular field?
29. What percentage of your editorial space was used during past 12 months for
- a. Original staff articles?
 - b. Original contributed articles, paid for?
 - c. Original contributed articles, not paid for?
 - d. Organization proceedings?
 - e. Material reprinted from other publications?
 - f. Syndicated material (news releases, etc.)?
 - g. News items?
 - h. Miscellaneous (new equipment data, catalog listings, personal notes, obituaries, etc.)?
30. Do you maintain a Buyers' Directory?
In each issue? _____ In a special issue? _____
31. What are the rules governing the number of listings given each advertiser?

WHAT SPECIAL SERVICES DO YOU PROVIDE?

32. Do you maintain a copy or photograph service for advertisers?
33. What charge, if any, is made for this service?
34. Give complete information on rates?

RATE CARD INFORMATION

35. Agency commission?
36. Cash discount and general terms of payment?
37. Is any allowance made for complete plates, involving no typographical expenses on the part of the publisher?
38. Do you guarantee uniform rates to all advertisers using the same amount and kind of space? Do you make any concessions from regular advertised rates listed in Item 34? If so, explain?
39. Publication and mailing dates?
40. Forms close, with proofs? _____ without proofs?
41. Will you accept unblocked electros of full plated advertisements?
42. Columns per page: Advertisements? _____ Editorial?

43. Page sizes: (Show only dimensions on space units regularly sold)

Page (trimmed) *	Wide?	High?
Page (type)	Wide?	High?
Two-thirds Page (type)	Wide?	High?
Half Page (type)	Wide?	High?
Third Page (type)	Wide?	High?
Quarter Page (type)	Wide?	High?
Sixth Page (type)	Wide?	High?
Ninth Page (type)	Wide?	High?
Twelfth Page (type)	Wide?	High?
Fifteenth Page (type)	Wide?	High?
Sixteenth Page (type)	Wide?	High?
Front Cover (type)	Wide?	High?
Bleed Size (plates)	Wide?	High?
Other fractional space:	Wide?	High?

* (N.I.A.A. recommended trim size is $8\frac{1}{4}" \times 11\frac{1}{4}"$)

- a. Colors: What are your AAA standard colors? Cost of AAAA standard colors? Cost of other standard colors? Cost of special colors?
 - b. What are your specifications for inserts, weights, size, etc.?
 - c. What size should bleed plates be?
 - d. What is largest size page plate accepted without bleed charge?
44. If this periodical is not of a size accommodating a 7 x 10 ad on one page, what is the reason for the odd size?
45. Halftone screen requirements; regulations regarding solid backgrounds, Ben Day screens, electrotypes, etc.
46. Is publication as sent to readers printed on same type and weight of stock as samples sent to advertisers and agencies? If not, explain?
- a. Are color pages and black and white pages printed on same type and weight of stock? If not, explain?
47. If publication is a member of ABC give date of Audit statement from which information given in Items 5, 8, 10, 11, 12, 15, 16, 17, 18, 19, 20, 21, 22, 23, and 24 is taken or based?
- a. If publication is a member of CCA give date of Audit statement from which information given in Items 5, 8, 10, 11, 12, 14, 22, 23, 24 and 46 is taken or based?
48. Miscellaneous rules and regulations of the publisher, if any?

NOTE 1. On Items 10, 11, 12, 13, 16, 17, 18, 19, 20: If information is not available for entire period—explain.

NOTE 2. On Items 11, 12, 13, 15, 18, 19, 20: If 6 months' period does not cover 6 or more issues, include 3 last issues if bi-monthly, 2 last issues if quarterly, last issue if semi-annual or less frequent.

Please sign presentation as follows:

The foregoing information is the same as is being supplied to the Headquarters Office of the National Industrial Advertisers Association and has been given with the purpose and intent of selling advertising space to manufacturers and/or manufacturers' agents and I hereby make solemn oath that it is true to the best of my knowledge and belief.

(Signature) .

Notary ____

____ Title ____

Chapter 6: INDUSTRIAL ADVERTISING COPY

by Schuyler Hopper

PRESIDENT, THE SCHUYLER
HOPPER COMPANY

Almost anyone can produce good industrial advertising.

Notice I said "produce," not "write." This chapter will deal more with how to find out what to put in an ad—how to reduce the guesswork in industrial advertising—than with the techniques of copy-writing. And note, too, that I say "almost anybody." There are some people whose make-up lacks the curiosity to dig into the needs of the industrial buyers they are addressing and who are devoid of the imagination needed to put themselves in the reader's place.

Literary style be hanged. When it comes to good industrial advertising, the ability to determine which of a product's features are of specific benefit to separate groups of prospects is what counts. How to illustrate those features; how much to say about them; how to induce action—these are elements concerning which I will try to give you a few common-sense guides. But the real touchstone of successful industrial advertising is the advertiser's willingness to take the trouble to ferret out in advance the interests, needs, and practices of the men he hopes to influence with his copy.

IT PAYS TO BE HELPFUL

Enduring success in industrial business is built on the proposition that sound help is to be offered in the form of good products and good services, to make it possible for the customer to do his job better and more profitably.

Can your product help your prospects cope with parts of their production problems? Will it help speed production? Will it help

reduce production costs? Are its advantages directly related to speeded production or reduced costs, or are they collateral advantages which must be interpreted so that the buyer can see the relationship between the benefits of your product and his ultimate aim of producing his products faster at lower unit production costs? If your product is a so-called staple item, are there benefits to the buyers in your service setup, your distribution setup, reliability and speed of delivery?

The user benefits of your product are probably akin to one or more of these general headings.

So how do you go about making them clear to your prospects?

Do as the good business paper editor does. Get out in the field and rub elbows with customers and prospects.

After many years in this business I will state flatly and without equivocation that there is no way to write *fully* effective industrial advertising by master-minding copy solely on the basis of what your salespeople tell you; what your production department tells you; or what you yourself believe to be the most valuable features of your product to specific groups within your prospect companies.

You have probably heard the story of the farmer who, upon reading an ad for a book on "Better Farming," said to himself: "Heck, I haven't got time to farm as well as I know how now!" The advertising man who made a practice of mixing with prospects and customers would have found out in advance whether or not most farmers felt that they were too busy to study for improvement. If so, his advertising would have stressed the *time-saving* ideas that the book contained and presented reasonable evidence that the reader of the book could get better farm produce with less effort in *less time*.

Let's see how this works in industrial advertising.

HERE'S HOW YOU START

First, be sure you are not persuaded by anyone (including your bosses) to "just make up some ads."

Try to persuade them that you are going to use the printed word in various forms as a sales tool that will help get points about your company, your product, and your service to more people in more prospect companies faster and at lower cost than can be done by relying on salesmen alone.

Never forget—and never let management forget—that you are going to try to make it possible for each salesman, each jobber or dealer or distributor, to sell more, faster.

Make it clear that each advertisement or printed piece is going to try to do *some of the telling* in selling so that the salesman can use more of his costly time for *closing*.

ONE STEP AT A TIME

You take one step at a time; one product at a time; in one market at a time; like this:

Step 1. Review *all* the specifying and buying influences, including those who are hard for your salesmen to reach. (Do you *know* them all?)

In many companies several individuals participate in recommending, specifying, and otherwise influencing the purchase of products. For example, materials used in construction work may have to be approved by the architects, owners, consulting engineers, staff construction engineers, and contractors. Again, plant production equipment may have to be okayed by plant engineers, production engineers, plant management, and top management people. It is frequently difficult to spot where the deciding influence lies, so it becomes desirable to inform all possible participants. The general pattern of buying influence affecting the sale of your product deserves careful investigation and study. Know whom you're talking to before you plan ads.

Step 2. Find out the viewpoints, prejudices, and confusions that cloak your product in the minds of your customers and prospects. (Do you know—for sure—*what* they think and *why* they think it?)

One company spent thousands of dollars advertising the fact that its air-conditioning accessory increased the comfort of workers in a plant, clerks and customers in a store, and diners in a restaurant. But a modest number of field calls disclosed that it was generally the *savings* in the cost of heating or cooling a structure that interested most of the people who bought this equipment—savings that needed dramatizing in different ways to separate groups of businessmen.

Step 3. Determine *what* to say, to *whom*, and *how often*, to improve those viewpoints and to reduce the prejudices and confusions that obstruct low-cost selling.

An advertiser had learned from his selling and servicing experience that *economy* was his password to business. But as his business expanded from market to market, he found that *economy* had to be translated in different ways. In one market it meant salvage of worn parts; in another, protection against corrosion; in still another, reduced down-time of productive equipment.

The basic rule of frequency, *i.e.*, "how often," as it applies to publication advertising, is to run your most effective story as frequently as your budget permits in the publications read by the largest numbers of people who are most likely to influence the purchase of your product.

Step 4. Select the *tools* to use for saying what needs to be said (booklets, magazines, direct mail, or any other mechanical means of transmitting ideas or information).

Each sales *tool* offers special qualifications for performing specific parts of the advertising and selling function that are peculiarly its own. *Booklets*, for instance, enable you to develop the features and benefits of a product in detail; *publication advertising* searches the highways and byways of a market for the people who, at any particular time, are confronted with problems your product can help them solve; *direct mail* is especially adapted for sharpshooting the known buying factors in specific markets and for following up inquiries; *catalogues* put the detailed basic buying information about your product at your prospects' fingertips; *manuals* provide simple courses of instruction in the installation, operation, or maintenance of a product.

HOW TO ARRIVE AT SPECIFIC OBJECTIVES

It could be argued that I am getting away from the subject of advertising *copy*, into the realms of industrial market research and media selection. That's right, I am. They can't be separated. As I mentioned when I started this chapter, good industrial advertising is mainly a matter of searching into these factors of *whom* you're talking to, what they know now or don't know about your product, and

what they *need* to know before you can reasonably expect them to move a step toward an acceptance of the values of your product.

For example, over a period of 40 years, The Industrial Fastener Sales Division of The Scovill Manufacturing Company of Waterville, Conn., developed special skills in the cold-heading of metal into fasteners and component parts and products used by industry. Its management suspected that few product designers were up to date on the ways that cold-heading, as used by Scovill today, might help them design better products to be made at lower cost. A number of informal interviews with people who decide how such fasteners or parts should be made showed that, sure enough, many design engineers were, out of sheer *habit*, specifying the screw-machine process and costly assembly operations for a whole range of items that could be made better and at lower cost by Scovill's cold-heading methods.

Scovill representatives did not always have ready access to these designers in companies where purchasing departments were set up to handle contact with suppliers. The field calls, coupled with Scovill's own sales experience and intimate knowledge of their business built over many years, helped determine three specific, valid aims for their advertising, other than just keeping their name before the trade. These aims were:

1. To educate the whole world of product engineering concerning the profitable application of Scovill's cold-heading methods to a much wider variety of uses than was generally considered possible.
2. To uncover companies contemplating production of a nature that would make them prospects for Scovill's cold-heading facilities.
3. To make certain that, even in companies already purchasing Scovill's services, individuals other than those regularly contacted by Scovill's people are regularly informed as to the advantages of the cold-heading process.

So, useful literature was prepared, designed to help product engineers see for themselves how the Scovill cold-heading process could give them many advantages and why it might pay them to specify the cold-headed process where Scovill's facilities fit their needs. Then advertisements reached into manufacturing companies everywhere to uncover interest among people rarely reached by Scovill salesmen.

Today there is evidence of marked improvement in the general understanding of cold-heading advantages. Scovill salesmen get invited into the designer's sanctum with the full blessing of the purchasing agent!

I have gone into detail on the Scovill example to show that good industrial advertising is not mainly a matter of sparking bright copy ideas. Without a well-thought-out and clearly defined objective for each series of ads—in fact, for each ad—you will find yourself putting *power* into sales effort without direction.

You'll never find a golf pro teaching you how to get more distance until he cures your slice. You'd just drive deeper into the rough.

Not long ago a company found that large segments of an important market were highly skeptical that the product could produce the operating efficiencies claimed for it. A campaign was planned to add power to the "education" of this market. Before it ran, a study of customer viewpoints was made. It was discovered that many customers found the local distributors of the product to be woefully incompetent to contribute the engineering and servicing help that was needed before a user could be expected to get the benefits claimed. So the company postponed the advertising aimed at further educating *prospects*, and launched a campaign aimed at uncovering better distributors. This was accomplished in less than a year. Then they swung into the selling campaign with highly profitable results.

Here, as always, the industrial advertising was effective because it was based upon a realistic search into the true obstacles to sales and dealt with them intelligently.

Here are a few other objectives that I have seen companies assign to advertising with profitable results:

1. Finding new markets for old products or profitable markets for new products.
2. Helping customers use a product most profitably.
3. Pulling inquiries.
4. Reducing the demands upon the time of the service department.
5. Helping to correct destructive competitive tactics.
6. Helping to spread quickly the news of a new use for a product.

And, of course, the very obvious objectives like announcing product changes, price changes, new plant facilities, and new service facilities.

HOW TO CONSTRUCT GOOD INDUSTRIAL ADVERTISEMENTS

Once you know whom you are aiming at, why, and approximately what you want to tell them, here are a few simple rules that you will find demonstrated in most of the advertisements reproduced in this chapter:

1. Use headlines that help select from each business paper audience those who, right then and there, may have the kind of problem that your product or service can help solve. (Don't worry about missing too many of the others—you can't prevent some businessmen from reading with interest about the solution of problems that they may have in the future.)

2. Move fast into what your product or service will do for the reader. (State briefly the "user benefit" claims that you're going to illustrate and describe in the text.)

3. Illustrate clearly with pictures, diagrams, cutaways, or whatever you need, the main points you're talking about. Show products in *use*, rather than "posed."

4. Translate those features into benefits to the user.

5. Present some reasonable evidence that your claims are true. (We'll discuss this factor of believability more fully later on.)

6. Make it easy for the reader to act (perhaps to send for useful material that will help raise his level of understanding of the values to him of your proposition; perhaps to use your catalogue—which you hope is in his possession—so that he can get the information he needs right then and there in order to specify, buy, or at least decide whether or not he wants to call in your salesman). But *whatever* it is you want him to do, *suggest* action, don't demand it. Nobody likes to be *told* what to do.

Personally, I always start a piece of copy by pretending a prospect, with a problem, is sitting across the desk. I tell him everything I feel will interest him about what the product will do for him, what it's done for others, and what his logical next step should be. I write it long, then cut it down, break it up into pieces, and illustrate it as needed to help him see the benefits fast.

Be Specific. Avoid generalities. Give the facts and figures that you would want if you were the buyer.

Here's an example that demonstrates the value of giving the reader the useful information he's going to want right then and there, if he's interested at all. It shows how, by being specific, one industrial advertiser obtained a 1,000 per cent increase in sales leads at no increase in advertising cost.

The W. F. & John Barnes Company of Rockford, Ill., makes machines that make machines. Their products are tailor-made machine tools, each one of which is built on order after a preliminary engineering of the customer's problem has determined the final machine design. The purpose of their trade paper advertising is to inform the market about their methods and their ability to design and build special machine tools, and to pull profitable sales leads from the advertising.

Barnes ads in nine business papers were pulling from 20 to 25 sales leads a month. Not bad. But a thoroughgoing scrutiny of prospects' interests and *buying motives* disclosed that the ads were not doing the best possible job of featuring the things the prospects were most interested in. The headline failed to promise the reader the possible solution to a problem if he'd stop to read the ad. It lacked clear-cut benefits to the buyer in specific terms of time, money, or labor saved. Text was too general; too vague. The urge to action, inviting response from the reader, and the offer of booklets were almost hidden in the copy. There was no inducement or indication, either in a self-interest subhead or by showing a booklet, for the casual reader to tell whether he could get real help with his machine production problems from reading the ad.

So a new series of ads was prepared.

In the first series, the headline had read "This is the LIMIT!"—and the text proceeded to tell a general story about limits on machining and why they can be dangerous.

But the second series told specifically in each headline about a user benefit. The copy developed the specific savings and cited actual improvements in production efficiency. A free offer of informative literature was featured. A typical headline read "Production increased 6 times with precision boring machine." The subhead, or deck, said: "10 more parts per hour while maintaining close limits of machining."

The results of these new ads were astonishing. Running in the same list of publications as the old copy, they immediately produced

225 or more inquiries per month, 1,000 per cent better value for the same expenditure. This Barnes story shows what can be done with industrial advertising if the principle of *helping the reader* is faithfully applied.

Metallizing Engineering Co., Inc., brought out a new metallizing gun that would operate on low enough pressures to greatly reduce the cost of an installation. Their advertising avoids generalities. Instead of making just broad general claims about new, low compressed-air requirements, they say that it requires only 10 cubic feet per minute at 40 to 60 pounds per square inch, and point out that that pressure is already available in many shops. Then, in the text, they do not stop with saying that it sprays 23 different metallizing wires. They tell what the important ones are and even indicate the analysis of carbon-steel wires by numbers. They don't just say it's "feather light"; they tell the prospect that it weighs only 4 pounds, 2 ounces.

Useful, informative, and—above all—specific advertising like this informs prospects to the point where sales calls find them already aware of portions of the proposition; ready to talk about how it might fit their own case.

There's another important angle to being specific: Different benefits of a product might be of greatest importance to different groups of people right in the same prospect company. Say you're advertising a new or improved plastic. It offers advantages of good appearance, durability, and workability. In your ads addressed to design engineers you would stress *appearance* and *durability*. But when aiming at production people, you'd lead off with the factors of *workability* that would help them speed fabrication and assembly, reduce rejects, and reduce unit manufacturing cost.

Can Industrial Advertising Actually Sell? This is as good a place as any to inject a thought that might be helpful to you in adjusting your own viewpoint to the use of industrial advertising as a selling tool and to help you gain management's understanding on this score—possibly even their cooperation and support.

The point is this: Never fear to admit that industrial advertising rarely, if ever, can do the whole selling job. Seek unceasingly to uncover *parts* of the selling job that advertising can reasonably be expected to carry. In the F. & W. Barnes example, the advertising

sold hundreds of prospects on entertaining the possibility that Barnes' equipment could help them solve production problems. It sold hundreds on sending for further information. But sales engineers had to do the closing.

In the Scovill case, industrial advertising sells design engineers on the possibility that cold-heading in general, and Scovill in particular, might help them get better parts and products at lower cost. It sold many of them on sending for literature. It sold some on asking for help from Scovill salesmen.

Seldom can industrial advertising do the whole selling job. But clearly, good industrial advertising can sell—can sell prospects into an open frame of mind—and frequently sells them to the point of taking at least one step in the direction of actually buying the advertised product.

I expand upon this point because the lack of understanding of these simple truths constitutes the greatest single obstacle to the production of better industrial advertising. Until top management, sales management, and the practitioners of industrial advertising see eye to eye on the *parts* of each selling job that can be aided and abetted by advertising, all the copy-writing skill in the world will fail to get maximum results.

How Long Should an Ad Be? When Should You Use Pictures? When Is It Better to Use Only Words? If I have impressed you at all with the need for ferreting out, product by product and prospect group by prospect group, the conditions to be met, *i.e.*, the viewpoints, confusions, practices, and prejudices of the people you are aiming at, as they relate to the purchase and use of products like yours—

If you see the importance of this first step in the construction of good industrial advertising—

Then you know that there are no set rules as to length of copy or the extent to which pictures or words must be used.

When you come back from calling on customers and prospects; after you've sat down with your sales executives and their key people and analyzed the parts of the sales load that advertising can help carry—then you'll know pretty well whether your copy needs to be long or can be very short. You'll know approximately what you need to illustrate and what needs explaining. You'll have a fair idea as

to how much supporting evidence is needed to make your claims believable.

To sharpen up some of these points, let me quote four passages and show four illustrations from the booklet, "Copy That Clicks," published by the Associated Business Publications. Incidentally, this is a fine guide to the production of profitable industrial advertising.

Can Short Copy "Tell All"?

Here is one of those beautifully simple ads [Fig. 6-1] in which the product, the central theme, and the suggestion of a user-benefit are all apparent at one quick glance.

Take the headline. No tricks, no puns, just a flat statement of fact. But *what* a fact! It's a "stopper" because the *idea itself* stops you—particularly if you are part of the plant management audience to which this ad was addressed. And the text tells just enough to support the headline completely, convincingly, without wasting a phrase. Which makes this, of course, a good "tell all" ad on every count.

Thus with less than a hundred words of copy, this single page from American Optical meets just about every requirement of good business paper advertising—including the kind of *result* the advertiser was after. Readers, for example, rated this the best-read ad in the publication in which it appeared, and others in this excellent series have ranked among the top five.

Nice going!

—And Is This "Too Much Copy" to Be Read?

For sixteen years, U.S. Industrial Chemicals have been running ads like this [Fig. 6-2], with six columns of small type—about as much as you can get on a two-side insert. Their objectives are (a) to keep the industry informed about U.S.I. products and new product applications; (b) to furnish useful information on technical developments of other companies, thus stimulating inquiries as to the source; and (c) to build prestige for U.S.I.

Now let's see how they're making out—

In a recent pilot study conducted by the Advertising Research Foundation, these ads were given a "read some" rating of 78 per cent—more than the most popular *editorial* feature in the magazine, and nearly double that of the next ranking ad! Moreover, readership of these ads has steadily *increased* over the years, as measured by high quality inquiries which last year averaged 750 per insertion!

And still you hear people say: "They won't read long copy"!

Sometimes You Need Plenty of Pictures. If your product, or your merchandising setup (as happens to be the case here) can best be ex-

the slightest eye-injury COSTS MORE



than the
goggles that
can prevent it

*A-O Safety Goggles
Safeguard the Eyes
of Industry*

Typical records indicate that even the slightest of eye-injuries cost (in lost time, idle machine time and medical attention) approximately \$15.00. The Society for the Prevention of Blindness estimates that *ninety-eight per cent* of these injuries can be prevented by the use of safety goggles (averaging in cost \$1.50 a pair). What piece of plant equipment costs so little and returns its cost so many times?

Let your nearest A-O Safety Representative show you the complete story

American  Optical

Safety Division

SOUTHBRIER, MASSACHUSETTS
BRANCHES IN PRINCIPAL INDUSTRIAL CITIES

Figure 6-1

U.S.I. CHEMICAL NEWS

April • A Monthly Service for Chemists and Executives of the Synthetic and Chemical Companies Industry • 1942

Chemical Russian 'Made Easy' at Last

If the Russian language has proved a shocking block to your understanding of the latest chemical developments in the Soviet Union, a current series of articles designed to help you track point-to-point chemical findings may be just the thing you're looking for. Fortunately, in far easier than you think, according to the author, for example, he states that in making organic compounds, the Russians make very extensive use of acetylene having Russian origins. As a consequence, English-speaking chemists need no look twice when the Russian alphabet is used to understand Russian organic chemical nomenclature.

Prevents Foaming of Many Hydrocarbon Oils

Foaming can be suppressed in hydrocarbon oils and oil emulsions containing them according to the claims made in a recent patent. The process is described as treating a liquid hydrocarbon with a certain amount of a liquid substantially insoluble in the oil and having a low interfacial tension toward the oil. This is said to decrease the normal foaming tendency of the oil without altering any of its desirable properties.

THE MONTH IN FUELS

A report indicates that a catalytic converter of coal and fuel oil gives better combustion than other important ones. . . . "Smokes less" is mentioned. . . . A chemical and fuel testing test oils is described. . . . Development covers the use of lignite for producing oil. . . . A new "ammonia reactor" is claimed to give more economical drying of oil. . . . A submergence method using an inverted siphon is said to result in better. . . . U. S. Coast Guard research station. . . . A new water fuel additive is said to inhibit pump wear. . . . Diesel engine research, and fuel testing tests in the combustion zone. . . . The Bureau of Mines reports an additional thirty million dollars for synthetic liquid fuel research. . . . Two commercial plants are under construction to process the Fischer-Tropsch process in operation.

'Chemische Berichte' Is Published Again

The "Berichte der Deutschen Chemischen Gesellschaft," one of the most important German chemical journals, which ceased publication after 1916, has now been revived under the name "Chemische Berichte." Copies of the journal are available beginning with the January 1942 issue.

Map of Mildew Areas

A map showing the areas of the United States that are vulnerable to mildew and rust is now available. The map is reported to be of special interest to textile, paper, and other manufacturers whose products are vulnerable to attacks of this type.

New Uses for Ethanol Found in Photography, Medicine, Food

Employed in Rapid Photographic Drying, Extraction of Rutin, Treatment of Distilled Cows, Preparation of Soy Bean Oils

Ethyl alcohol, familiar stand-by of industry, and raw material for many final products, including anti-knock agents, synthetic rubbers, and organic acids, is now an essential component of many new industrial and domestic methods.

Urethan Treats Dog's Leukemia — Derivative Seen as Aid to Surgery

Spectacular improvement in a dog suffering from leukemia as a result of antibiotic therapy, and the use of a urethan derivative to combat after-effects of surgery are described in two papers published recently.

The treatment for leukemia amounted to daily doses of urethan in syrup. At the same time the treatment was started the dog was not expected to live more than a day. Within 24 hours, however, after the commencement of antibiotic therapy, the dog is said to have become energetic and recovered his appetite. The number of leukocytes in the blood decreased, and the dog's weight returned to normal. It is stated. Improvement lasted for nearly two months but was not permanent. The paper states leukemia cannot be "cured at the blood," it is an abnormal proliferation of white corpuscles.

Reverses Cancer Prevalence

Following operations on the vagus nerve to relieve pain of gastric ulcers, a left mediastinal deviation of medium is claimed to have reversed gastric prevalence and malignancy. This form of surgery sometimes causes loss of sensory tone of the stomach, leading to gastric distress, loss of appetite, nausea, vomiting and indigestion.

Need Research Help?

If you need outside help in working out your current industrial problems, a new book may help you. It's an 80 page government directory listing present laboratories and technical facilities available in industry in New York State. There's no charge.

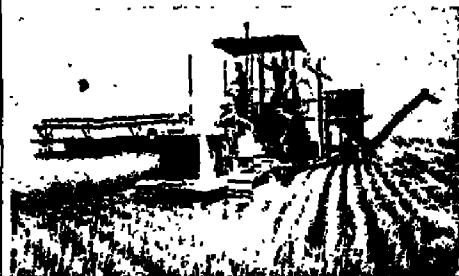


RAPID DRYING highlights recent progress in photography made possible by use of ethanol.

New Medicinal Uses

New procedures have been developed recently to extract the drug, rutin, from dried hawthorn leaf and seed. In one process the extractant is ethanol. In the other, it is boiling water, but ethanol is used in the purification phase. Evidence of the therapeutic value of rutin for reducing the tendency of the capillary blood vessels to rupture, with consequent hemorrhage, in some persons having high blood pressure, continues to accumulate, a recent government report says.

(Continued on next page)



MAKING A NEW RUBBER from this source of hawthorn, the use of ethanol extraction process, will ease the new drug, rutin, to combat high blood pressure.

Figur

JACQUES KREISLER PROMOTION SERVICES
Biggest watch attachment manufacturer wins acclaim for helping retailers build customer traffic

Jewelry retailers everywhere are enthusiastic about the many uses of the Kreisker watch attachment. It's a small, portable, self-contained unit that can be used for a wide variety of promotional purposes. It's a perfect example of a "one-stop" solution for jewelry retailers looking to increase their customer traffic.

Whether you're looking for a way to promote your new line of watches, or you're looking for a way to promote your existing line, the Kreisker watch attachment is the perfect solution. It's a small, portable, self-contained unit that can be used for a wide variety of promotional purposes. It's a perfect example of a "one-stop" solution for jewelry retailers looking to increase their customer traffic.

WIDE EFFECTIVE WINDOW AND COUNTER DISPLAYS
 Stimulate more traffic, mean more impulse buying. Kreisker knows more of their winning all year. "Kreisker" is the name of the game.

CONCENTRATE ON KREISKER for

- the power of the biggest national advertising.
- the prestige of exhibiting Kreisker.
- the ability to attract attention.
- the personalized permanent help that each Kreisker gives.
- personal contact with Kreisker representative.
- representative's complete service for Kreisker quality watch bands and men's jewelry.

Latest Kreisker Merchandise Connection

Figure 6-3

plained in a story sequence, you might borrow an inspiration from the Jacques Kreisler spread (Fig. 6-3).

I purposely show this "consumer goods" ad here, because it illustrates both an aim and a method too often ignored by the manufacturers of industrial products sold through hardware stores or other retail outlets.

A big advantage of the picture-and-caption technique is that it enables you to break down a complex story into easily digestible parts. It makes a newsy-looking layout, and your copy usually gets good readership, provided, of course, that the pictures have plenty of come-on, and that the copy really has something to say. On both counts, this Kreisler spread is excellent.

Consider the Kreisler objectives: first, to develop new retail outlets; second, to keep existing outlets sold in the face of a current (at that time) jewelry slump; third, to get retailers steamed up about Kreisler sales promotional aids; fourth, to generate direct orders by mail or phone.

That's a lot of objectives for one campaign to support, but this one did a very creditable job. Within 5 months, for example, 1,856 new accounts were signed up, more than 5 million repair tags and 4,500 display cases were sold, and retailers devoted nearly half a million lines of advertising to Kreisler merchandise, at their own expense! Even mail and phone orders showed an increase of 34 per cent over the preceding year.

We call that pretty sweet music, Mr. Kreisler!

And Sometimes You Don't Need Any Pictures. This United Chromium ad (Fig. 6-4) seems to break many rules. No pictures. Not much layout to speak of. Nothing but solid text, and quite a lot of it. Yet, in an issue that contained 95 single-page, black-and-white ads (all of them with pictures) this was the second best-read in the book, which is more than the advertiser had hoped for.

The problem here was to get the broadest possible readership from an audience to which the product was comparatively unknown. Copy specifications were simple, but tough. United Chromium didn't expect inquiries, but they did want a campaign that would open doors for their salesmen—something that would do an aggressive job of missionary selling for a product that fairly shouted importance.

The headline treatment is deliberately tricky, but on second

WANTED:

JOB TOO TOUGH FOR ORDINARY CORROSION-RESISTING COATINGS

ARE YOU LOOKING for a surface that will stand up under the most severe conditions? Then consider what thousands of satisfied users say about UCILON—that it offers *more resistance to more corrosives for longer periods of time* than any other surface material they have ever tried.

In a soap plant, for example, where ceilings are subjected to a dense fog of fatty acid vapors, UCILON-coated ceiling panels were still in excellent condition *after six months!* (Former coatings failed in as little as two weeks.)

In another case, UCILON was used in a tanker's hold, carrying 100-octane gasoline, diesel oil, kerosene, salt water ballast—and the hold was flushed with live steam before each change of cargo. Yet UCILON coatings were still in excellent condition *after ten months!* (No other coating used previously survived even one cargo.) And there are hundreds of similar cases on record.

Have you a really tough coating job to be done? If you have—we want it. For we believe that UCILON will outlast any finish you have ever tried. Write today for complete details.

WHAT IS UCILON?

UCILON is a surface coating material formulated from new and improved inert synthetic resins. It is air drying and can be applied to any metal, wood, or concrete surface by brushing, spraying or dipping. Upon evaporation of the solvent, a hard, durable "plastic" coating is formed.

UCILON is remarkably resistant to acids, alkalis, salt, alcohols, oils, water, cleaning compounds, and industrial oxidants. It has excellent flexibility, toughness, adhesion—and no taste or odor when dry. It is non-toxic, fungus-inhibiting, has good electrical resistance, and gives an attractive glossy finish.

UNICHROME

UNITED CHROMIUM, INCORPORATED

81 East 42nd St., New York 17, N. Y. • Detroit 2, Mich. • Webster 30, Conn. • Chicago 4, Ill. • Bergen 2, Ohio • Los Angeles 11, Cal.

PROCESSES AND MATERIALS

FOR SURFACES THAT SURVIVE

Chromium Plating • Passes Chroming • Unichrome® Copper
Unichrome Laminates • Unichrome® Resin Coatings
Unichrome Stop-Oil Inhibitors and Compounds • Unichrome Dip
Unichrome Seal Coatings • Anodic Compounds • Unichrome Strip
*Trade Mark Reg. U. S. Pat. Off.

Figure 6-4

thought it is also full of promise. In effect it says: "If you have a really tough corrosion problem, we think we have the answer." And the copy—its sleeves rolled up all the way—proceeds to nail down the point with plenty of believability.

UC's prospects must have liked it, too, for the campaign accomplished everything it set out to do. Within 6 months from the time it began running, UC's salesmen were getting in to see (and selling) industrial executives to whom they formerly had no access.

P.S.: They used *pictures* in a later campaign, because with sales on the upgrade, they got a stack of case histories to work with!

Will the Reader Believe You? From time to time you will find yourself beset by someone of influence in your company (or in your client's company, if you're in the agency business) who will look over your copy, thump the table, and shout, "Let's get some more sell into this ad." He may be right, in principle. The danger lies in interpreting his bellow to mean: "Let's make stronger claims—use exorbitant superlatives."

Chances are, if he's one of your sales executives, he senses that product features have not been sharply presented in terms of the specific interests and needs of some group of buyers!

Occasionally you'll find a critic who literally means: "Let's shout bigger and louder about how wonderful we are." Don't do it! *Nobody* likes a braggart!

The very individual who clamors for stouter claims probably has the good sense not to talk that way in the presence of a prospect. Most successful businessmen know that the buyers and users of industrial products are just like the rest of us—they'll only believe people they *trust*; people they *like*! They won't even believe testimonials if you present them the wrong way. If your testimonials are surrounded by chest-thumping copy, they'll suspect that you just got a few good personal friends to say nice things, and discount the testimonials as such. Don't be tricky with the truth. Most businessmen can smell a half-truth a mile away. Your product is good. The truth about what it does for users is good. Make its advantages to him clear, but leave him saying: "Gosh, I'll bet I can get even more value out of it than they claim," rather than, "Nuts! Nothing could be *that* good!"

WHEN ARE ADVERTISING "DEVICES" INDICATED?

Although the weight of evidence is in favor of straightforward, informative, useful industrial advertising copy, there are always situations where advertising devices, designed to help lift items out of a competitive rut, are very much in order. Take the case of the Worthington Pump & Machinery Company, seeking a way to identify its hand-held rock drill and compressor. There were numerous user-benefit features they could talk about, but competitors generally had comparable features on most points. So Worthington gave its equipment a name, "Blue Brutes." This device ties all their compressors and air tools together as a family and helps to distinguish them from all competition. The name Blue Brute suggests the "guts" that this two-fisted market respects. Also, they did not neglect to describe what these products do for the users.

Here's another example of another "device," a cash prize award for naming a new product (see Fig. 6-5). This story concerns the Plumbers' Brass Division of the Scovill Manufacturing Company, and if you'll quickly review the case history of Scovill's Fastener Division, you'll have a vivid comparison that illustrates why there are no set rules for industrial advertising—beyond the certain knowledge that every product and every market situation calls for different handling, because it is aimed at a different set of conditions.

In this case, Scovill found itself introducing a new flush valve which does three important things. It fills a tank *quickly*, fills it *quietly*, and is *universally adjustable* to all water pressures. What could be done to sustain interest in this new product and get attention paid, *repeatedly*, to its three main features?

Revolutionary as this product was, it could hardly be considered a vitally important thing in the life of a plumbing wholesaler or contractor. Sure, he would probably read the early ads announcing this new product quite carefully. But there would be little reason for him to read ad after ad, if each merely described the same features over and over.

So, as in the case of Worthington, Scovill borrowed from a consumer technique and offered cash prizes for the best names embodying the three main features of quiet, fast, and adjustable. Scovill figured that it would be just plain human for the readers of the plumbing trade publications at least to give the three features an-

other glance, and give some passing thought to a suitable name, whether they sent in an entry or not.

It does not waste space to illustrate an extraneous prize like an automobile and describe its features, but gets right down to cases and translates the flush-valve features quickly and clearly into terms of what they mean to plumbing jobbers, dealers, and contractors.

HOW OFTEN CAN YOU REPEAT COPY?

This is a subject that could earn a chapter of its own, and I refer you to the thorough study that was made by an independent group of advertisers. This repeat-advertisement study directed and evaluated by a steering committee representing almost 300 advertisers, agencies, and publishers was completed in 1947. Its official report gave the following major conclusions:

1. A given advertisement secures attention from a random sample of those who read the publication in which it appears.

2. When an ad is repeated, it is seen and read by at least an equal number of new readers or readers who do not recall seeing it before. This holds true regardless of frequency of insertion in either a weekly or monthly publication.

As the time interval between repeated advertisements increases, the recollection of previous appearances decreases to the extent that:

3. *In a weekly publication*, ads repeated at four-week, or longer, intervals have little accumulated recollection of previous appearances and have approximately the same effect as the original insertion.

4. *In a monthly publication*, ads repeated at four- or five-month intervals have little or no accumulated recollection of previous appearances and have approximately the same effect as the original insertion.

5. Regardless of frequency of insertion (either in a weekly or in a monthly), the accumulated recollection of previous appearances is high for ads repeated frequently and is negligible for ads repeated infrequently.

What It Boils Down To: If you have taken the pains to study out a solid objective for your advertisement—if you are sure that it contains the right information to help advance your objective by giving prospects the information they need on the points in case—if you have carefully worked out your advertisement and spent good time and money in its preparation—repeat it, many times.

Good ads can be repeated with profit because:

1. One appearance of an advertisement cannot possibly reach *all* the people you're aiming at, no matter how thoroughly you saturate the field.

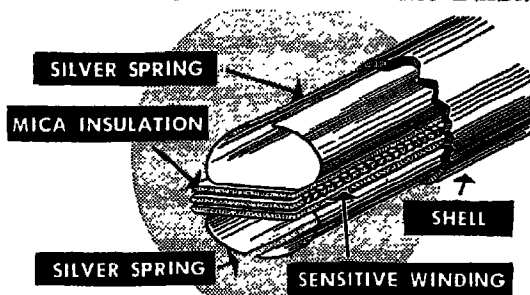
EDISON

Thermometer Bulbs



• Better Than AN Specs
• AT NO EXTRA COST!

Edison AN Thermometer Bulbs are now being manufactured in quantity by the Instrument Division of Thomas A. Edison, Incorporated, and are stocked for immediate delivery at competitive prices to meet your replacement needs. Exclusive design features provide faster response and permit higher operating temperatures than required by AN specifications. Write for new bulletin and price list on AN and other Edison Resistance Bulbs.



Cutaway view of Edison AN Bulb stem, showing exclusive patented silver spring design that provides faster response than required by AN specs, and excellent cushioning against shock.

INSTRUMENT DIVISION
THOMAS A. EDISON, Incorporated
177 Lakeside Avenue • West Orange, New Jersey

Figure 6-6

2. Your best prospects may be different people from day to day (assuming that your best prospects are those who have, *at the time they see your advertisement*, a problem that your product or service can help solve).

3. The points made in your advertisement may not register the first time with all who look at it. Unpredictable factors may intercept the full impact of the message the first time a prospect sees it. Other imponderables may intercept his taking action the first time he reads it.

This is particularly true of standard supply items. For example, the Instrument Division of Thomas A. Edison manufactures, among many other products, thermometer bulbs bought by the maintenance people in airlines and in the Armed Forces. The Edison bulb has patented features that make it superior to the standard Army-Navy Specification bulb (Fig. 6-6), but even if it hadn't, it would pay them to remind maintenance people throughout the aviation industry as often as feasible that Edison makes AN thermometer bulbs. It enhances their chances of "being there" at those unforeseeable times when some people in the field are going to order replacements of this supply item.

CONCLUSION: THE CUSTOMER IS YOUR REAL BOSS

There's a single secret to effective industrial advertising copy, and it has been stated and restated in many places in many ways by many experienced people. In this chapter, it's my turn, so I'll put it like this:

Give your prospects the information they need about your product in order to judge it on the basis of what it can do for them.

This means knowing in detail just what your product *can* do for whom, and how, and why; then demonstrating what you know, in ways that are clear and simple, to those who are responsible for getting done what your product can help them do.

You can acquire such knowledge in numerous ways, but the most reliable, the most productive of rich copy material, the most certain to bring profitable results, and the most economical in the final analysis is direct, personal inquiry among the people who comprise the market for your product—your customers and prospects—your *real* bosses!

Chapter 7: FIELD INTERVIEWS¹

IN COPY WRITING

One day the promotion manager of a business magazine serving the electric power industry traveled from his Manhattan office over to Brooklyn and had a talk with an electrical engineer in the office of a great utility company. The promotion man had brought along the latest issue of his magazine. He asked the engineer to look at the ads and tell which ones might interest him, and which ones he would pass by, and to say *why*. In other words, just to thumb through the ads and think out loud as he read.

By luck this promotion manager had found a cooperative and articulate engineer and he, the promotion man, came back to his office with a new outlook. He had learned that one of the best ways to learn something about advertising is to go out and talk to the people who are expected to read it.

For more than 6 years after that day, *Electrical World* interviewed a reader each month. Ad men from the magazine simply sat down and made notes while the reader thumbed through the ads and spoke whatever comments came to his mind: "What's this headline got to do with it?" "By the time I find out what they're selling, I've lost interest." "This is all jumbled up; you go looking all over."

These men, to whom the magazine listened so many years, were electrical engineers and executives in utility companies, and in the electrical installations of large industries, manufacturing plants, consultants' offices, etc. They were interviewed from Maine to California. They were not advertising men. Few had heard of the most common type face, and almost all would consider a layout as an electrical wiring plan for a building.

But they were the men who were expected to read the advertising and act upon it. They were the men who were responsible for pur-

¹ The material in this chapter is almost entirely drawn from a booklet issued by *Electrical World* and written by Lloyd Dunn.

chasing the millions and millions of dollars' worth of apparatus and equipment advertised in the magazine. For this reason *Electrical World* decided it was worth while to gather their opinions and report them carefully. For when all is said and done, are not their opinions the only ones that count?

The conclusions reached as a result of all these years of field interviews seem obvious. They are basic and simple, and thousands of good advertising men expound them as fundamentals. Yet, every day we see many ads that violate every one of these rules. They are:

1. Have something to say.
2. Keep it simple.
3. Tell the story with pictures.
4. Keep it professional.

Let us look at these four basic points, one at a time, to see how they contribute to making industrial advertising pay off.

HAVE SOMETHING TO SAY

This rule is so obvious that the magazine hesitated to bring it to the attention of people who prepare advertising. It is simply this: *Say something in your ad.* By "something" is of course meant something of job interest to the man you expect to read it.

The comments gathered in this study suggest that, when you are about to prepare an ad to be published in a business paper, you ask yourself this question: "What do the readers of this magazine want to know about this product that I can tell them, and at the same time serve the interests of my company?"

This question is in direct contrast to the one so often asked himself by a copy writer as he heaves a long sigh and settles down to the job before him: "What do *I* want to tell the readers about this gadget? What can I say that the client will approve? And how can I trick them into reading it?"

When you start to write a piece of industrial advertising it is always a good idea to remember that the man who reads it will be *at work* while he does so. He is reading a business paper because he believes that doing so will help him do his job better, so he is willing to devote a certain amount of time, effort, and concentration in order to get helpful information out of it.

While he is thus working he turns to your advertising page. At this moment he is in the same position as a prospective buyer of your product who has admitted you, a salesman, to his office. He is ready to devote his time and attention to hearing your story. He is *anxious* to hear it, provided you tell him something that serves his interest in doing his job.

With the stage set and the attentive ear turned, let us say that you look him squarely in the eye, strike a dramatic pose, and say in a stentorian voice:

No single industrial effort on the part of man has contributed so much to the look, the sound, and the *feel* of America as the electric power industry. From neon sign to juke box, from night baseball to deep-freezers and electric blankets, and the power presses that stamp out the bodies of our cars, electric power touches our individual lives more profoundly than any other product. To have played a part in the fabulous growth of this vast accomplishment is our proudest achievement.

It would be hard to imagine any salesman ever saying that. Yet it is easy to find worse paragraphs in advertising that is talking not to *one* but to *thousands* of customers and prospective customers.

But, you say, putting a sales message into print is a lot different from making a sales call in person. It is, indeed. Most every businessman is courteous enough to listen after a salesman is in the office, provided he doesn't spend an unholy amount of time beating around the bush. But there is no question of courtesy when he is reading your ad, and as soon as he finds that you are going to sound off about the face of America, or any other irrelevant generality, he turns the page before discovering that your company makes excellent storage batteries.

Sound too obvious? Recently I saw a full-page ad devoted to a soundly established product, published in a leading industrial magazine. The ad was black and white and cost the manufacturer several hundred dollars. The upper half of the page was devoted to a wash drawing of a lion, standing majestically at the edge of the jungle, looking fearlessly into the big world. Under him was one word, sprawled across the page in bold hand lettering with a heavy underline: CONFIDENCE. The copy, in words no better than the paragraph above, said that confidence is built by years of dependable service. This was a "selling message" for business stationery, and you

had to look at the signature, in type considerably smaller than the headline, to find out what it was selling.

So, it is indeed worth repeating. *Say something in your ad.* Say something that the reader will probably want to know. Show a picture of your product, installed on the job and hard at work, and in the copy tell the reader how this installation has solved a problem.

A wonderful way to find out what to say is to go out and talk to the people who will be reading, remembering, and even acting upon the words you write in your ad. Don't talk to them about advertising. Ask them what their job-problems are and what they buy to solve them. Talk to them about the industry. Find out what they would like to know about your product.

Do this for a while and when you come back to your office you will have a wonderful club to carry with you into the next copy conference. And for a copy writer, who is by nature a meek little introvert facing the leonine dominance of copy chief and account executive, a club is a wonderful thing. When the account executive says the copy should say *this* and the copy chief disagrees and says the copy should say *that*, the little writer can smile with shy confidence and say: "Nope, you're both wrong. It should say *thus* and so. I know because I talked to 17 men who read the book and buy these gadgets, and *this* is what *they* tell me *they* want to *know* about it!"

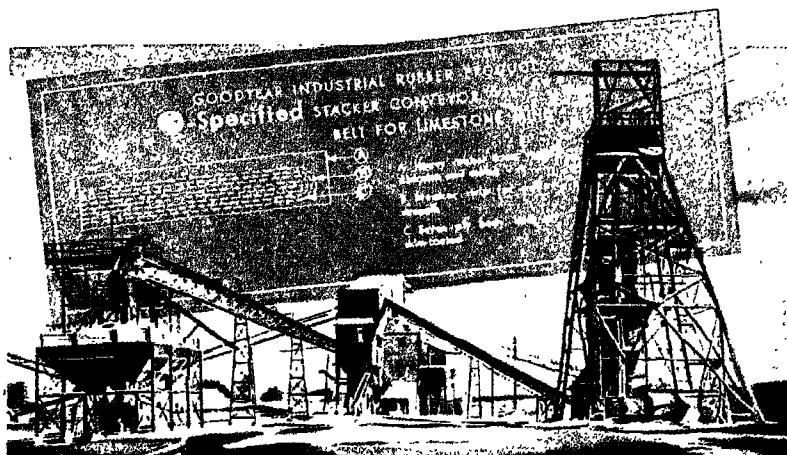
Your job of going out and talking to the people who count most should require more of your time than writing the ad, for every minute of the time will pay off a hundredfold in reader interest.

KEEP IT SIMPLE

I hope you are remembering that the dictates of this chapter are not mine. They are the distillation of 6 years of field interviews with men who read industrial advertising and look to it to help them do a better job.

"Keep it simple" means: Do not make it difficult for the reader to figure out why you spent several hundred dollars for this page of advertising. He will not do it. *Make it apparent at a glance what you're selling.*

Listen just a moment while I repeat a few of the acid comments that have come from readers while they were thumbing through the advertising pages during field interviews.



They tote thousands of tons per day in the world's deepest limestone "mine"

BURIED half a mile under Ohio is the world's deepest "quarry"—a mine that produces limestone at the rate of thousands of tons per working day. And every ounce of that river of rock rides on Goodyear Conveyor Belts for much of the way between the working faces of the mine and storage bins located on the surface.

When the mine owner called in the G.T.M.—Goodyear Technical Man—to recommend the belts best suited to conveyerize the operation, he specified Goodyear Stacker Conveyor to carry the limestone from crusher to storage bins—both located deep in the mine. Three belts—each 43" wide, 7-ply construction—were installed to handle this part of the operation. The G.T.M. recommended Stacker Conveyor because Stacker's extremely tough covers and bonding breaker are more than strong enough to handle the severe abrasion of the rock.

At the shaft head, the crushed rock travels from head frame to storage bins via nearly a half mile of Goodyear 6-ply, 32-oz. duck belting, installed on seven different conveyors handling various sizes of rock.

Altogether, this mine uses a total of ten Goodyear conveyor belts—all installed in accordance with the recommendations of the G.T.M. His recommendations can be your own best insurance of economical, long-life conveyor belt haulage, either above ground or below surface. It will pay you to consult the G.T.M. first. Write him c/o Goodyear, Akron 16, Ohio.

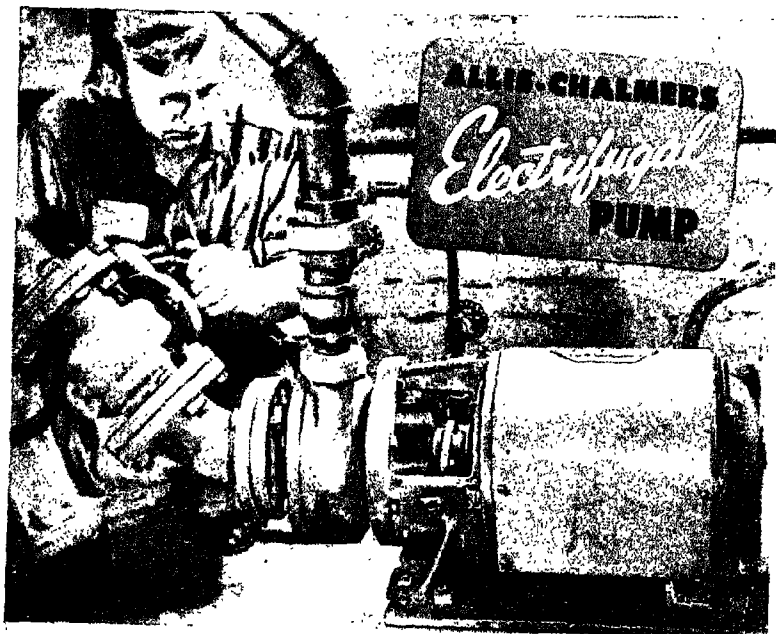
For Hose, Flat Belts, V. Belts, Molded Goods, Packing, Tank Lining built to the world's highest standard of quality, phone your nearest Goodyear Industrial Rubber Products Distributor.

We think you'll like "THE GREATEST STORY EVER TOLD" Every Sunday—ABC Network

GOODYEAR

THE GREATEST NAME IN RUBBER

Figure 7-1: The interesting and useful story told in this copy for Goodyear is the result of getting out into the field where industry stories happen.



Cuts Pump Upkeep

**COST DOWN MORE
THAN HALF IN 4
YEARS SERVICE AT
MICH. CITY PLANT**

SAYS A. C. LOHSE, General Power Engineer, Pullman-Standard Car Manufacturing Company—"Maintenance costs on our old pump were sky-high, so in March, 1945, we installed this *Electrifugetal* pump to move condensate from our compressors and hydraulic pumps. It has run 16 hours a day, five days a week with only routine maintenance and one repacking. Cost per gallon is less than half what it was and performance is much more dependable."

This is the kind of dependable, cost-lowering service you can get from *Electrifugetal* pumps. Motor and pump are

mounted on one shaft in one solid frame for maximum rigidity. Feet are wide spread for firm support. Bronze ring protects casing from wear by impeller and is easily replaced when required.

Every *Electrifugetal* pump is tested at the factory. Performance is guaranteed.

Allis-Chalmers makes hundreds of pumps for many types of service. For full information, see your A-C Authorized Dealer or District Office, or write for Bulletin 52B6039E. Also in Sweet's, A 3610

ALLIS-CHALMERS, 952A SO. 70 ST.
MILWAUKEE, WIS.

Electrifugetal, *Tenrope* and *Vent-Pitch* are Allis-Chalmers trademarks.

ALLIS-CHALMERS



Sold . . .

Applied . . .

Serviced . . .

by Allis-Chalmers Authorized Dealers, Certified Service Shops and District Offices throughout the country.



MOTORS — 1/2 to 25,000 hp and up. Matching Allis-Chalmers Control.

TENROPE — Built in oil steel and suitably standard and Vent-Pitch shrouds, speed changers,



PUMPS — Integral motor and casing types. Sizes and ratings to 2500 GPM.

Figure 7-2: This advertisement for Allis-Chalmers backs up its claim of economical operation with a real example—the result of field interviews.

Said the superintendent of a large eastern utility company: "I get mad at this one. What does it mean?"

The chief electrical engineer of a construction company said, "I have to concentrate to figure out what they are trying to tell me, and I wonder what leads them to believe that the reader is going to that much trouble."

The chief engineer of a famous candy manufacturing firm: "I can't figure out what they've got for sale and I don't much care."

One advertising agency man once took the "keep it simple" lesson to heart and tried a small experiment. He tore out a dozen "un-simple" ads from a prominent business paper. He mounted the ads on cardboard and then masked out the bottom one-third, completely hiding the advertisers' signatures. He then asked people around the office to tell him what products were being advertised. In only three cases was a product identified.

There's one attitude on the copy writer's part that tends to make an ad complicated, rather than simple. That is his temptation to bring in a parallel, or device, to inject a little excitement into an otherwise dry subject. But usually, when you are writing to an industrial man it pays to be literal. Remember that the reader is *on the job* when he is looking at your ad. He's inclined to look for factual information. He wants a straightforward approach and no tricks.

Here's an example, quoted more than once in *Electrical World's* crusade for simplicity: The ad showed a bulldog pulling on a rope, and the headline proclaimed that John Doe line splices hold tight. One of the readers, commenting in a field interview, said: "That bulldog is silly. How much more effective if they had pictured a scale and indicated by pounds the pull that the splice will withstand. The pull of a bulldog doesn't mean a thing by engineering standards. You could hold him with a stout cord."

To the copy writer I suppose this engineer was sadly lacking in imagination. An eight-year-old schoolgirl would know that the bulldog was meant to *symbolize* holding power. But the little schoolgirl doesn't buy any line splices. The engineer does, by the thousand.

The men you expect to read the ads you write for business papers are accustomed to getting accurate data in plainly stated form. They get a good deal of it from the fat, figure-packed handbooks you see on their desks. They have neither time nor inclination to indulge in the mental process of interpreting bright copy ideas. Once in

a while, in a special case like a field interview, they usually show surprise after they've figured it out . . . "Oh, so *that's* what they're advertising! Why didn't they say so right away? Why beat around the bush? Do they think I have time for riddles?"

If your name is Jones and you manufacture pulleys, be sure that in every single ad "Jones Pulleys" is displayed prominently enough so that even the most hurried observer will say: "There's Jones, the pulley people."

It is a good idea to observe right here that nobody is advocating a general swing-over to the catalogue type of advertising. These belong in catalogues and buyers' guides. The point is to *get to the point quickly*. Make it clear at a glance what you're selling.

May we go back, just a moment, to the salesman who has been admitted into the prospective buyer's private office? Stretch your imagination one inch farther and say that the salesman has been given just 6 seconds in which to arouse the interest of the prospect.

No time for the face of America or any other generality. No time for the symbolic bulldog. Time only for just *one* definite statement that will arouse interest enough so that this prospective buyer will say: "That sounds like it might be down our alley. Take 10 seconds more and tell me more about it."

Hold his interest for the next 10 seconds and you have the floor. You can go on from there to illustrate your point with facts and figures, and don't be afraid to bring in every pertinent detail.

The headlines of any good newspaper are a good lesson for you when it comes to keeping it simple. You never saw an obscure parallel or a symbolic phrase in a headline. And the story always starts with the event itself, not the fact that somebody has been around for 25 years contributing to a great achievement, and is proud of it.

Your headline and the opening paragraph of text form the main contributions toward keeping it simple. But the layout too is of great importance. In the ad you expect an industry man to read, avoid vivid splashes of color that detract from readability. Avoid all uses of scrolls, ribbons, panels, or any embellishment that is used for ornamentation only. Color, of course, can be highly functional in a good industrial ad, as you'll see a few pages ahead. But it can also mean a complicated, badly cluttered layout.

The recipe for a good industrial ad, dictated by 6 years of asking readers what they want and need in advertising, seems to be, thus far: Decide what you want to say and make sure that it will contribute to the job interest of the man you expect to read it. Then say it in the most direct and orderly manner you can.

TELL THE STORY WITH PICTURES

The most constant and recurrent plea from the hundreds of industrial readers interviewed was for pictures. What do we mean by pictures in industrial advertising? What kind of pictures do they want? Why do they want them?

You've heard of the dentist who identified the man by an X-ray of his upper jaw. To him this picture was more revealing than a complete family album. It's not hard to believe that this same dentist, while reading advertising for an X-ray machine, would be more intrigued by a picture of the machine itself than he would, say, by a dramatic shot of a searchlight turned on a group of slum dwellings whose inhabitants are sadly in need of dental care.

The readers of industrial advertising want pictures for the same reason everybody else does. It's easier and faster to get your story that way, *if* you use the right kind of pictures. What are the right kind?

First and always: Print a picture of the product being advertised. If you fail to do this you lose a considerable percentage of readership value to begin with.

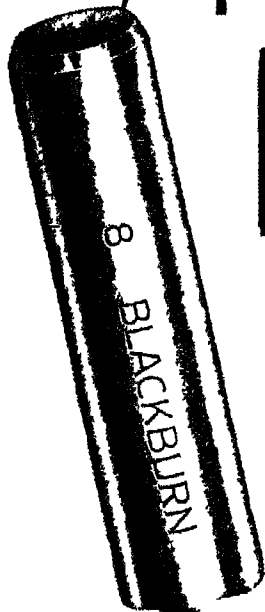
And, if you really want to get the most value out of a picture, show your product installed—actually doing the job and solving the problem it is meant to solve. Show it the way your reader would see it on the job.

"Good pictures of products frequently steer me into an ad," said a utility engineer, "particularly when they show how a product is used—the part that it plays in the complete installation."

Said an engineer in a great aircraft plant: "Ads that show application stop me every time. Under the stimulus of this series of ads, for example, I sent for more detailed information. The application pictures they always show helped me to visualize possible uses for the equipment in our plant."

And an engineer in a great West Coast municipal utility said: "Use actual installation photos instead of drawings. Even poor photos

New, Improved Ground Rod!



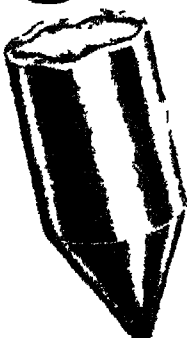
BLACKBURN *Copper-Clad* GROUND ROD

**Completely Covered - -
Molecularly Bonded - -
for Lasting Ground
System Protection!**

CHECK THESE 6 FEATURES:

1. A stronger, more rigid rod for better driving. Made with stronger, stiffer steel core, having a higher carbon content than any other rod.
2. Completely covered, including top and bottom, to fully protect steel core. Has a heavy, non-porous and uniform covering of pure copper, which is thoroughly bonded to the steel core, and will not peel off when driven.
3. Rolled finish produces hard, scar-resistant surface.
4. Approved by REA and Underwriters.
5. Now available for prompt delivery. Made in sizes $\frac{1}{2} \times 8$, $\frac{1}{2} \times 10$, $\frac{3}{8} \times 8$, $\frac{3}{8} \times 10$, $\frac{1}{4} \times 10$.
6. Backed by Blackburn's reputation for quality.

Note uniform copper covering, molecularly bonded to steel. Cross section of copper is greater than No. 4 wire.



JASPER BLACKBURN PRODUCTS CORP.

BUILDERS OF QUALITY PRODUCTS FOR 15 YEARS
PIATT, MADISON AND CLINTON STS., ST. LOUIS 6, MO.

Phone, Central 3007

Mail Coupon Now for Sample Section

JASPER BLACKBURN PRODUCTS CORP.,
First, Madison & Clinton Sts. - St. Louis 6, Mo.

Send me, without obligation, a sample section of your Blackburn
Copper Clad Ground Rod, price, and name of nearest jobber.

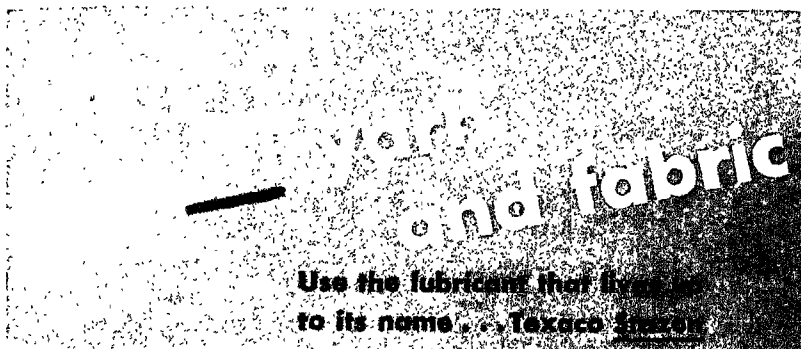
Individual Name & Title _____

Firm Name _____

Address _____

EWB

Figure 7-3: This Blackburn copy makes its points in an orderly, direct manner, with a simple but effective layout.



A BEARING that is close to yarn or fabric calls for a lubricant that won't splatter, creep or drip. Use *Texaco Stazon*. It stays on the bearing surfaces, stays off the goods. Mills everywhere say it's the best remedy for oil stain "headache."

Texaco Stazon has remarkable stability. It does not form gummy deposits... is not affected by humidity... is a long lasting and economical lubricant. Use it on top rolls... for loom lubrication... wherever protection from oil stain is indicated.

Talk to a Texaco Lubrication Engineer about more efficient and economical lubrication throughout your mill. Just call the nearest of the more than 2300 Texaco Wholesale Distributing Plants in the 48 States, or write The Texas Company, 135 East 42nd Street, New York 17, N. Y.



TEXACO Lubricants

FOR THE TEXTILE INDUSTRY

Tune in... TEXACO STAR THEATRE every Wednesday night starring Milton Berle. See newspaper for time and station.

Figure 7-4: In this copy Texaco points up an industry problem and its solution with simple layout.

snapped on the job are more convincing and interesting than something an artist dreamed up."

Readers of industrial advertising want pictures of your product and its application. They will not spend time figuring out symbolic shots and often they resent a picture that is remote from the subject at hand, used only to lure them into reading the ad.

Two more types of pictures help tell your story quickly and help attract the reader to the selling message you write. The first type is charts and graphs. Fact-minded industry men are highly interested in these. They often stop to note their significance, even when they have no immediate interest in the product. If your copy entails a statistical story, you can put it over quicker with a good graph, bar chart, or schematic drawing than you can with hundreds of words of explanatory text. The other type is pictures that show cutaway drawings, so that the actual working parts of a product are exposed. "Show me the insides, so I can see what makes it work," was the way one engineer put it. A view of the insides, retouched to show meshing of gears, etc., is usually more thought-provoking than the most handsome shot of the streamlined housing.

After spending more than 6 years finding out what kind of pictures the engineer likes to see in advertising, this study also brought to light, as you would imagine, some of the pictures they *don't* like and their dislike is invariably expressed by turning your page quickly and going on to the next ad.

They do not like scrolls, boxes, ribbons, borders, etc., used solely for the purpose of decoration. These contribute only to "clutteration."

They do not care for photographs or drawings used to illustrate obvious points: One advertiser devoted three-quarters of his page to a carefully posed shot of a handsome executive (graying slightly at the temples) talking on the telephone with the headline in quotes: "Yes—and they came through on deliveries, too!" One reader said of this: "What are they selling? We all know what a man telephoning looks like—why waste a lot of space on that sort of thing?"

These electrical engineers—and they are probably typical of the great majority of industrial readers of business papers and industrial advertising—do not care for pictures symbolizing the qualities you'd expect to find in good products: pictures symbolizing toughness

(boxer in ring), uniform quality (twin babies), precision (scientist at microscope), faithful service (St. Bernard dog), control (old woman threading needle), etc.

They also are not particularly enthralled with pictures of famous violin virtuosos, illustrating, say, "It's the *Know-How* that makes the difference."

All this seems basic and obvious, but a surprising number of such pictures do get printed and paid for, and will keep on getting printed and paid for.

So, when you get an idea for a scratchboard drawing of a man silhouetted on a hill against the sunset, holding hands with his wife while the youngster and the dog stand by, all gazing into the promised land—and you tie this up with the part that Blank Storage Batteries play in building America's future, come back down to earth and tell yourself that your idea will cause wide disinterest.

Installation photographs, graphs, charts, schematic drawings, and cutaway pictures that illustrate your product and its function will pay their way in helping to put your sales story over, quickly and effectively.

KEEP IT PROFESSIONAL

How do you keep an ad professional?

For clarity, let's look at some examples of professional writing:

When Betty Grable married Harry James, the headline in *Variety* said: "Legs Bride of the Horn." You'd have a hard time finding an engineer who could understand that. On the other hand, a recent story in an engineering paper was headlined: "Differential Fields Control Converters Serving Large D-C Industrial Load." This is clear and interesting to an engineer, but "Greek" to people in show business.

"Keep it professional" means simply: Talk in the language of the man you expect to read your ad. Keep it dignified and authentic. Do not use trick devices in order to get attention. The simple, unadulterated facts are sufficient.

An electrical engineer, for an example, finds that his favorite book on the job is a big fat volume with a soft leather binding. It is full of small type and crammed with graphs, tables, and tabulations that for sheer dryness (to you or to me) makes an algebra textbook look

Easy to STORE
Easy to POUR



TWO FEATURES THAT
MAKE SALES FOR FOODS IN

Bemis Deltaseal Bags

This attractive, low-cost package not only gives sales-inviting display in stores, but also helps keep customers sold on your brand after they're home.

Women like Deltaseal Bags because the square-pack bag rests well on pantry shelves, and the Deltaseal spout makes it easy to pour direct from the bag without spilling.

Your Bemis representative will be glad to show you how Deltaseal Bags and the Deltaseal Packaging System can help you increase food sales. Get in touch with him now.

AVAILABLE IN SIZES FROM 2 TO 35 LBS.

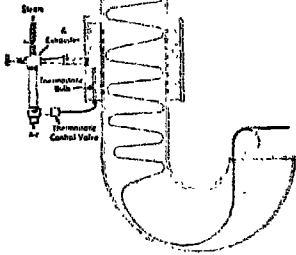
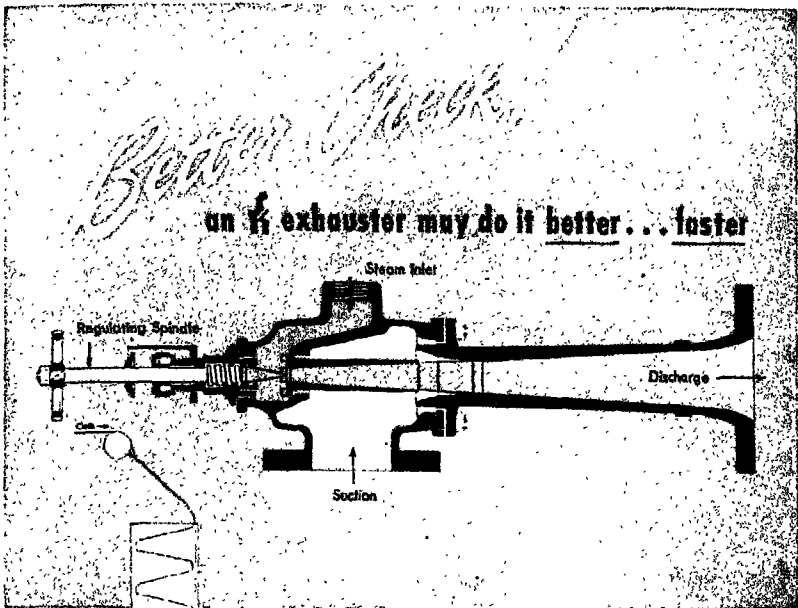
DELTASEAL Reg. U.S. Pat. Off.



Bemis
"America's No. 1 Bag Maker"

Baltimore • Baker • Boston • Brooklyn • Buffalo • Charlotte • Chicago • Cleveland • Denver • Detroit • East Pepperell • Houston • Indianapolis • Jacksonville, Fla. • Louisville
Kansas City • Los Angeles • Memphis • Minneapolis • Mobile • New Orleans • New York City • Norfolk • Oklahoma City • Omaha • Pacific • Phoenix • Pittsburgh
Salem • St. Louis • Salt Lake City • San Francisco • Seattle • Wichita • Vancouver, Wash. • Wilmington, Del.

Figure 7-5: Pictures tell the story and cut copy to a minimum in this effective Bemis advertisement.



This application shows an SK Exhauster being used on a textile mill J-Box to mix steam and air, in proportion, for the uniform bleaching of cloth. It is but one of many applications featuring the adaptability of the Jet.

If you have a process problem involving pump priming, exhausting, evacuating, cleaning, transporting, compressing or agitating, you might do well to investigate SK Steam Jet Exhausters and Compressors. Because these versatile air and gas pumps are employed universally in such operations where they frequently do the job better, faster and more economically. Using steam or compressed air as the operating medium, they entrain, compress and discharge air or vapors. Compact in design, simple in operation, without moving parts, they are available in bronze, iron, Monel, steel, Everdur, hard lead or Pyrex as conditions necessitate. For complete information on SK Exhausters and their many applications, send for a copy of new Bulletin 4-E.



SCHUTTE and KOERTING Company
Manufacturing Engineers

1157 THOMPSON STREET • PHILADELPHIA 22, PA.

JET APPARATUS • HEAT TRANSFER EQUIPMENT • STRAINERS • CONDENSERS AND VACUUM PUMPS • OIL BURNING EQUIPMENT • INDIATORS AND FLOW INDICATORS • RADIATION TUBES • VALVES • SPRAY NOZZLES AND ATOMIZERS • GEAR PUMPS • DESUPERHEATERS

Figure 7-6: How the "insides" of equipment can make an attention-getting picture.

You will not be writing copy long before you realize that a simple declarative sentence, written so that your meaning is perfectly clear, is a difficult thing to write. But writing one is much more satisfying than setting down stilted phrases. So there are certain rewards in writing good industrial copy, beyond the fact that your client is going to get more for the money he spends.

The four points just discussed are basic recommendations for copy, distilled after 6 years of talking to the men who read the advertising in a leading business paper.

Two more basic lessons came out of these years of field interviews. *Electrical World* learned quite a lot about the kind of headlines that have the best chance of catching the attention of its readers. And it also learned something about the best use of color in advertising.

On Writing Headlines. First look at headlines—the part of the ad upon which nearly everything else seems to depend. It's the hand that reaches out and grabs the reader and holds him still a moment or two while you try to tell him the performance story of your product. If the headline fails to do this, he has gone on by, and your selling message is just as silent (at least for *that* reader at *that* time) as if it had never appeared in the magazine.

After talking to industrial readers for 6 years, *Electrical World* is inclined to conclude that rule number 1-A for headlines is clarity. The meaning of your headline must be perfectly clear. This is also rule numbers 2 to 10, inclusive.

If you were driving with a friend on a long trip through the countryside and at about 7 P.M., after 5 or 6 hours of travel you spied a big neon sign that said "EAT," you'd be running into a perfect headline. "Eat" is of more interest to you than "The Old Mill" or "Paddy's Pantry" or "Mrs. MacHarrie's Kitchen," so you pull over onto the gravel, thinking hard about a ham steak, fried potatoes, and good coffee.

In some ways, this profound and evident discovery that the headline on a good industrial advertisement must be crystal clear was a little disappointing.

We mean it seemed to take out some of the glamor and fun of being clever by devising trick phrases and cute metaphors. If writing a good headline is as simple and straightforward a job as that, we

reasoned, why not let the file clerk write them? Nobody needed our genius, after all.

But if you think this over awhile, and flip the pages of a few hundred industrial ads, you'll decide that the contrary is true. It must take quite a knack to write a headline that is simple, clear, forceful, and inviting—there are so very few of them. Actually, any copy writer who has tried to sift the meat of his story down into one strong, tight phrase knows what a job it can be.

In most good industrial advertising you will find that the illustration is actually *part* of the headline. Look at this example from an actual ad:

IMPROVED IN 3 WAYS

1. Greater Accuracy
2. Higher Insulation
3. Smaller Size

Those words, quoted by themselves, are meaningless. But in the ad we are talking about they were tied up to a good illustration of a transformer, plus a blueprint and chart, all giving technical specifications and operating data so that the headline was perfectly clear.

Your headline and illustration, usually together, must make it crystal clear to the reader why you're asking for a little more of his time in order to tell him your story.

And when you write it, remember that the headline makes the first impression. It has a heavy responsibility: it must get the reader's attention started and, like every other action, it takes more power to *start* it than to *maintain* it. It's a sad fate for a well-written piece of copy, filled with useful information and helpful data, to go unread and unheard because somebody crowned it with a tricky, irrelevant headline, which succeeds in repelling reader after reader as he pauses for a split second at that page.

Here are a few headlines that tell the story quickly and clearly:

Now ABC (Asplundh Brush Control) KILLS BRUSH RIGHT DOWN TO THE ROOTS.
The first consideration in turbine oil selection: Does it provide full protection for my big investment?

Stop this with Antophen 20 (Monsanto's pentachlorephenol, technical)

(This headline was tied in with a good photograph of a badly decomposed line pole.)

You can trust the factory sealed joints in G & W Type "St" Soldered porcelain potheads.

Closer Voltage Regulation Possible with Help of New A-C Voltage Recorders.

An endless number of illustrations can be found, but the point is clear: Engineers, executives, field operating men, salesmen—all go through their business papers looking for something that will help them do their jobs better. They are, perhaps, like a shopper in a big department store. Looking for a few pairs of socks at not over a dollar a pair, he would not be intrigued with a sign saying: "Ma won't give a *darn* about these." He wants a sign that says "Socks" or maybe "Men's Furnishings." If he is looking for books he will not appreciate a sign saying: "Your chair by the fireside is your tramp steamer."

The "attention compelling" headline, designed to stop the eye because of its cleverness, is not for industrial advertising. It is perhaps effective under certain circumstances in consumer advertising. Even this is usually questionable. It is out of place in good business papers and can be actually irritating to the men who read them. The way to get attention quickly and favorably is to play it straight.

Good industrial ads can have crystal-clear heads which are also intriguing:

THE HORSESENSE WAY TO USE HORSEPOWER (ad for gearmotors)

A BRIDGE SECTION? NO! IT'S AN APPLE COOKER! (ad for processing equipment)

WASH DOWN YOUR PROCESSING COSTS WITH "BRISTOL CLEAR" WATER (ad for industrial control instruments)

DO YOUR PRODUCTS NEED MORE FLAVORING *Oomph*? (ad for artificial flavors)

HOW TO HELP YOUR PRESIDENT STOP PASSING PROFITS TO THE SCRAP DEALER (ad for tool company)

THE DRAG LINE WITH THE BOARDINGHOUSE REACH

Who remembers the old medicine shows? The crowd gathered to hear the music maker thump the banjo. When the crowd got big enough the medicine man started extolling the virtues of his pain-killer. Some of the people would buy a bottle.

When you write industrial advertising, you don't need the banjo. The crowd is already there and already looking for what you have to sell. So don't waste time making music. Start selling your product in the first word in the ad.

One agency man has a good rule for writing headlines on industrial ads. Blank out everything in the layout except the headline and illustration. Is it perfectly clear what you are selling and what you are talking about?

If these things are perfectly clear, says this agency man, he will not necessarily call it a *good* headline, but he will assure you that it is not a *bad* one!

On the Use of Color. The effective use of color is another fundamental that can be sifted down into basic guideposts.

Color is, of course, more widely used than it was only a few years ago. For this reason it demands even more skillful use in order to squeeze out its full possibilities in attention-getting value. When only a few ads employed color, they stood out no matter how color was placed in the layout. With more color ads than black and white, color can do its distinctive and highly useful work only if applied with the greatest care.

Advertising men who have been associated with the trade for 15 years or so remember when the layout was always made in black and white. This was passed to the art director with a request to "break it up for color." In due time it would return, with a few initial letters circled in red, some red underlines drawn in, perhaps a tint block behind the headline and even some meaningless scrolls or fancy ribbons in color. That was "breaking it up for color" and it was not seriously questioned because the agency knew there would be precious few *other* ads in color and that this one would stand out no matter how the color might be used.

Applying color is a far more exacting job nowadays, and it starts right with the first rough. For color is useful and attracts attention only when it clarifies and simplifies the layout, rather than complicating and cluttering it.

It is better to use too little color than too much, especially when you point your color at the center of interest and use it as a spotlight to underline the strongest point in your story.

In the old classic Chesterfield ad: "Blow some my way," the glow of the cigarette was the only red on the page, but people still remember it.

Electrical World, from its years of field interviews, culled a few do's and don'ts about the use of color in industrial advertising.

There are times, of course, when almost every rule can be violated, but a subject such as the use of color (just like color harmony in rooms) depends upon the circumstances and the purpose. However, these are good guideposts to start with:

Don't splash color around, especially red. Use it tastefully, which usually means sparingly.

Don't run meaningless ribbons, borders, stars, scrolls, etc., in color in order to dress up the layout. Such devices usually detract from the story you're trying to put over.

Don't run type over color blocks, particularly red, and especially if it's type under 18 point. The color vibrates and makes the type hard to read. Industry men will not strain their eyes.

Along this same line, don't run type in color, unless it's large headline type. Avoid reverse blocks of color with type appearing in white.

Here are a few do's:

Use color to point up your story, such as colored lines on charts, bars, and graphs, or on arrows pointing to important points in your story, and to spotlight the circulation of oil, water, or steam through a product. Installations in color, with *your product* in black, can be effective. An occasional word or two in color help drive home a sales point. Soft, screened tintblocks are good for separating blocks of copy, or holding together loose tabular matter. Your product looks more realistic and stands out if pictured in natural color. Special colors are sometimes used for identification.

Those are but a few highlights. There are endless good ways to make use of color, and they are all known to good layout men. But, even for a good layout man, when he's dipping his artistic ego into color, there's a big word to remember. *Restraint*. He may think the client is getting more for the extra money that color costs by using a lot of it. The opposite is frequently true.

Color is a valuable raw material. It must be carefully mixed with talent, experience, and good taste. It then adds considerably to the attractiveness and readability of your ad.

Chapter 8: DIRECT MAIL IN INDUSTRIAL ADVERTISING

by Edward N. Mayer, Jr.

PRESIDENT, JAMES GRAY, INC.

When an industrial advertiser distributes his selling message through a published advertisement in general media such as newspapers or magazines, he can be reasonably certain that an undetermined percentage of his potential audience will not read his story, much less respond by actually buying what he has to sell. But the advertiser knows from experience that it is good business judgment to broadcast his sales message to all the readers of a magazine or newspaper, and pay for all, even though relatively few of them are actual prospects for his product or services. In business papers, of course, he finds a medium through which he can choose a considerably more selective audience.

However, when the advertiser chooses to send his sales story by mail, messenger, or salesman, he can exercise even greater selection and control. Not only can he eliminate a great deal of the "dead wood" but if he carefully selects the names on his list, the advertiser can also direct his selling message to specific individuals and companies who, to the best of his knowledge, are actual prospects for the product or service he has to sell.

This type of promotional activity, concentrating as it does on nonwasteful circulation, is defined as a "vehicle for transmitting an advertiser's message in permanent written, printed, or processed form, by controlled distribution, direct to selected individuals." A simpler definition might well be that direct-advertising messages are the paratroopers of advertising. They can be directed to a specific objective in order to accomplish a specific purpose.

DIRECT-MAIL FORMAT

Direct-mail advertising materials can take any size, color, or shape the industrial advertiser desires. In planning your direct-mail piece to sell either heavy machinery or finely calibrated thermometers, the sky is the limit. You can make it as large or as small as you want. You can use any kind of paper and any color or colors of ink. You can die-cut to the shape of your own machine, emboss to simulate the feel, perfume to imitate the odor (if your product has one)—in fact, you decide what you want and some smart printer, lithographer, or finisher will show you how to get what you're looking for.

Numerous elements will affect your selection of the physical form of your printed piece. First to consider is the purpose for which the material is designed. Almost all direct mail can be classified into four groups:

1. *Informative.* Direct mail that carries news or information, such as announcements of new products or new models, or of changes in location or phone number, or a change in prices or rates for a product or service.

2. *Persuasive.* Direct mail written chiefly for the purpose of persuading or selling. Under this classification you would usually find letters urging you to subscribe to magazines, to buy books, to join buying clubs, or describing any special offer of merchandise for sale.

3. *Reminder.* Direct mail that reminds you of an already established fact: "Remember the date of our big spring white goods sale: November 8th!"

4. *Utility.* Direct mail whose main object is to impart useful information. This could have selling as its secondary function. When your dentist sends you a card reminding you that it has been 6 months since your last visit, his message is largely one of utility.

Most forms of direct mail have a dual or multiple function and fall into more than one group. The group classification, however, may be helpful in clarifying your own thinking of what you want to accomplish in your mailing. The following table lists the more commonly used types of direct mail, showing how most of them fit into more than one of the outlined groups. A study of this data makes an excellent guide for selecting physical form. Often there is a wide area of choice.

Most Commonly Used Types of Direct Mail

<i>Type</i>	<i>Informative</i>	<i>Persuasive</i>	<i>Reminder</i>	<i>Utility</i>
Letters.....	X	X	X	
Folders.....	X	X		
Circulars.....	X	X		
Broad­sides.....	X	X		
Booklets.....	X	X	X	X
Brochures.....	X	X	X	
Self-mailers.....	X	X		
Postal cards.....	X	X		
Mailing cards.....	X	X		
Catalogues.....	X	X	X	X
House magazines.....	X	X	X	X
Blotters.....	X	X	X	X
Price lists.....	X			X
Sales and informative manuals	X	X		
Invitations.....	X	X		
Programs.....	X	X		
Sales, research, and informa- tive bulletins.....	X	X	X	X
Charts.....	X		X	X
Posters.....	X	X		
Blow-ups.....	X	X		
Coupons.....	X			X
Calendars.....	X		X	X
Reprints.....	X	X		
Memorandums.....	X		X	X
Printed novelties.....			X	X
Business cards.....	X		X	X
Order forms.....	X	X		X
Reply cards and envelopes...	X	X		X

Although it would be impossible to set up any hard and fast regulation that would cover the individual use of the more popular forms of direct mail, there follows some of the composite thinking of the industrial advertisers who have used the medium successfully.

1. *When to use letters.* Some kind of letter can be used in practically any situation. Letters are adaptable to anything from the introduction of a new product to a friendly handshake with an old customer. In direct-mail advertising, letters are by far the most widely

used of any form. Most experts agree that practically no other piece of direct advertising is as effective when mailed alone as when accompanied by a letter. Letters do the outstanding selling job of all direct-mail types when used alone—and when used with folders, circulars, broadsides, brochures, catalogues, price lists, etc., they greatly increase the value of the other piece.

2. *When to use folders and circulars.* Folders and circulars are, after letters, the most commonly used of all printed-advertising types, because they are comparatively inexpensive and most flexible. Size, shape, and style are unlimited. In format, folders and circulars bridge the gap between personal letters and booklets. Use them as enclosures with letters and/or to precede and follow your more elaborate catalogues, books, and presentations. Use them for the short, direct, printed messages that picture your product and hammer home selling points in a quick, concise manner. Use them for single shots or for a series. Use them when the sales message should have a compact form that the reader can grasp quickly. Inject them with novelty and color, but never at the expense or interruption of the natural flow of the advertiser's story to the prospect. Folders and circulars can be used to inform, instruct, persuade, remind, or bring home the order.

3. *When to use broadsides.* Broadsides are large folders or circulars, used advantageously when ordinary ones are not adequate to convey the story and a booklet is not the form needed or wanted. They are excellent when you want to achieve a smash effect, particularly at the beginning (or end) of a campaign. Use broadsides for special announcements, or for special emphasis of certain selling appeals. Use them also when a large surface is required for pictorial and bold copy expressions, and when the psychology of bigness is desired.

In designing broadsides, capture interest right at the beginning, and make sure that the interest is continued throughout, without confusion. Although large, a broadside should be designed for easy handling by the reader with a physical make-up and layout that will lead the reader through in definite sequence quickly and impressively.

4. *When to use booklets.* From the brief explanations covering the use of folders, circulars, and broadsides, it is quite evident that booklets should be used when these former media are not ade-

quate to convey the longer story, or when they lack sufficient prestige value or appropriateness for certain printed promotion jobs.

The uses of a booklet are almost as great and flexible as are those of its smaller brothers, the folder and the circular. Usually designed for thorough reading and study rather than "flash" presentations, booklets must be attractive, interesting, and easy to read.

Booklets have a multiplicity of purposes. They should be used when the story is lengthy, or cannot be told in a folder or other lesser presentation, when dignity of approach is desired, or when desired elaborateness cannot be achieved in a simpler format.

5. *When to use brochures.* Brochures are usually extremely glamorous and should be used only when an elaborate presentation of company, product, or service is desired. Use a brochure when there is a need or desire to go beyond the booklet and broadside format for richness, power, and impressiveness in size, illustration, color, materials, bindings, etc., or when the presentation of a story must match the bigness of the selling job and must reflect the stature and dignity of the company responsible for its production.

6. *When to use postal and mailing cards.* Postal and mailing cards are usually the least expensive of all forms of printed advertising. Yet they have great utility value. You can use them logically when brief announcements (not confidential) are desired; when budgets do not allow for more expensive format; when teaser ideas are used to introduce a campaign; when single messages or thoughts are desirable to influence prospects or obtain leads; when quick reminders are effective; when the element of time is most important; when notices, announcements, instructions, invitations, and other short direct messages lend themselves to this inexpensive, open, quick-reading format.

7. *When to use blotters.* Blotters, although originally designed for their utilitarian value, have become equally important for their reminder value. They have a long life and act as a constant memorandum to the man or woman who has them. In addition to their great value as extra enclosures with letters, folders, and booklets, etc., particularly in continuing campaigns, they can stand on their own feet as an excellent form to push home one important feature of your product. When you want to keep your name in front of your prospect between mailings, use blotters.

8. *When to use unusual forms.* Cutouts, popups, novelties, gadget letters, etc., should be used when realism is desired and when it is

important to make a fast, single impression on the mind of the prospect to gain his or her immediate interest, or when you want to show things that cannot be shown by any other kind of advertising. Original and effective presentations of products or their special features can be achieved through die-cutting, angle-cutting, trick folding, unusual binding operations, etc.

DIRECT-MAIL FUNDAMENTALS

Planning a single piece or a complete campaign in direct advertising, like planning a military campaign, calls for detailed consideration of many elements.

Fortunately the planning of direct advertising does not approach a military plan in complexity. And while it is equally unwise to generalize about military strategy or advertising strategy, several broad lines of thought can be laid down. Each will have to be adapted to a particular problem, for no two businesses operate along identical lines. But the following few rules are the underlying principles of any sound industrial advertising project.

These general rules are certainly no cure-all for careless analysis, sloppy planning, and sick industrial direct mail. However, following these general rules may make your efforts stand out like a fur coat on a bathing beach on the hottest Fourth of July.

What Must Your Mailing Accomplish? Know exactly what you want your mailing to do for you. What are you trying to accomplish? Do you want an order? Or an inquiry? Or a chance to have one of your salesmen call? Are you trying to open a new territory, introduce a new product, or announce a new use for an old one? Or do you merely want to do a good-will or so-called institutional job? It may sound ridiculous, but it is surprising how many pieces of industrial direct mail keep their objective so well hidden that not even a Philo Vance or a Nero Wolfe could find a single clue. And to make matters worse, some of the mailings may be prepared by men who know what they are trying to do—but they keep as a deep, dark secret what the recipient is supposed to do after he has read every word of the entire letter, circular, booklet, or catalogue sent to him.

It probably won't take much digging to find out what your objective really is. You won't be thinking of direct advertising unless

you want to accomplish something, but—and it's a big but—for each piece stick to one objective. There are probably many exceptions, but it is generally true that a single mailing piece will do a better job with one objective—selling the value of one product rather than with two or more—although a continuing campaign can, obviously, successfully cover many more than one. You may be able to get an inquiry and an order from the same mailing, and you may be able to introduce a new line of screw machine parts at the same time you are talking about your established group of precision measuring instruments, but you will get better results if you set your sights on either one or the other and *not* on both.

Your Direct-mail Copy Must Sell the Benefits of Your Product. Write your copy so that the recipient will know what your product will do for him! Probably the simplest thing you have to know about writing industrial direct mail copy is that people buy for only one of two reasons. Either your product must give them a new benefit or protect a benefit they already have—maybe it's cheaper, faster, better than your competitor's machine—but whatever its advantage you have to prove the extra benefit you're giving! You must appeal to his or her selfish instincts and not use all your white space talking about yourself, your president, and your beautiful new factory. You must make your copy human and easy to read. You must give *all* the information about your machines that your prospect needs to make him take the action you desire. No piece of copy was ever too long if it told the whole story—and *only* that!

Charles Mills of the O. M. Scott Company has written in one short phrase a complete definition of copy that sells. The Scott Company specializes in the sale of lawn seed. Many of their sales (which run into the millions) are made exclusively by mail. Scott has discovered, says Mills, that "in our copy we must never forget for an instant that people are interested in *their* lawn, *not* in our seed."

If you really want the people who receive your mail to know what your product or service will do for them, keep in mind the following famous verse composed by Victor Schwab, President of Schwab & Beatty, an advertising agency specializing in mail-order selling.

Tell Me Quick and Tell Me True—
(or Else, My Love, to Hell with You!)

I see that you've spent quite a big wad of dough
To tell me the things you think I should know.
How your plant is so big, so fine and so strong;
And your founder had whiskers so handsomely long.
So he started the business in old '92! •
How tremendously int'resting that is . . . to you.
He built up the thing with the blood of his life?
(I'll run home like mad, tell that to my wife!)
Your machinery's modern and oh! so complete;
Your "rep" is so flawless; your workers so neat.
Your motto is "Quality" . . . capital "Q"—
No wonder I'm tired of "your" and of "you"!
So tell me quick and tell me true
(or else, my love, to hell with you!)
Less—"how this product came to be";
More—what the damn thing does for me!

Your Mailing Piece Must Wear the Proper Dress. Make the layout and format of your mailing tie in with your over-all plan and objective. Don't use black-and-white when four-color printing is indicated. Don't use a typewritten letter when mimeographing would fit the picture better. Check to make certain that you would read a similar appearing mailing if you received it. Many a potential industrial advertising success has been turned into a dismal failure because someone forgot that appearance is an important part of the picture.

Think, if you will, of two salesmen. The first gets by your secretary (you never do discover just how he did it), and when he finally arrives at your desk you get quite a shock to see how he is dressed.

But, he's in your office, so you have to listen to his story. Then comes the real surprise. Where you expected a quick pitch for enough to buy a cup of coffee you're practically floored by a splendid sales talk about a new and mammoth drill press that might possibly cut your manufacturing costs 5 per cent.

Of course, you don't buy, but while you're still reeling from the whole experience, your trusted gal, who pulled the boner of letting the first one in, announces in her most honeyed tones that Mr. Montmorency Tillingham Smythe would like to see you for a few

moments and (she thinks), even though you are so busy, that you really should take the time.

So, in comes Mr. M. T. Smythe. And what a relief after your last interview.

Now you're ready for a real presentation—for nothing less than a new Cadillac, or maybe the yacht you can't afford but dream about even in your waking hours.

Then Smythe starts, and in a halting, mumbling manner attempts to sell you on the wonders of plastic screwdrivers . . . sales-priced three for 25 cents. So you get rid of him. Nevertheless, you spend the rest of the day between hot flashes and cold sweats, and you finally leave the office early with a definite guarantee that you're going to kick your dog, slap your son, and yell at your wife before you fall into a nightmarish sleep!

Those two salesmen are made up out of whole cloth—yet they have a lot in common with a great deal of industrial direct-mail advertising. Both the advertising and the salesmen are just not dressed “for the occasion.”

Even though you probably wouldn't attend a beach picnic dressed for an evening at the Waldorf, you'd be surprised how often you dress your direct mail in just that manner.

It isn't always true that a piece engraved on the finest paper will do a better job for you than one mimeographed on cheap wood pulp. A great many industrial organizations have found that it doesn't pay dividends to dress their mailings in mink coats.

Nor does the fact that one company is successfully using penny postals printed in one color to sell expensive air conditioning installations prove that the job couldn't be done better and at a lower sales cost by four-color brochures.

The mood of the product you're selling must determine the kind of material you use.

Basically, you have one problem to solve before you spend your dollars on a mail-advertising campaign. You have to find the “mood” or the “personality” that will sell for you. Underdressing or overdressing will cut the number of your replies so low they may cease to exist altogether.

It may be true that printed promotion, like people, looks lots better in evening wear than in daytime dresses, business suits, or

working clothes, but looks (or rather beauty), as the poet says, are "only skin deep."

It's important to dress your industrial direct mail for the occasion—make your mood festive or serious, sad or gay, snobbish or democratic, but be sure you make it fit. Before you call in the dressmaker or tailor be sure you find out what the particular occasion is, insofar as it covers your own problem of selling your own product.

Your List Is the Cornerstone of Your Direct Mail Success! Address each mailing piece (correctly) to an individual or company who can buy the product you have to sell. There is no doubt, even among direct-mail experts, that the list is the absolute foundation of successful direct mail. Good mailing lists are not easy to find or compile. Most of them contain three or four *suspects* for every *prospect*, but they can be built to fit your individual needs.

Potentially, direct mail is the only perfect form of advertising. If we look forward to the millennium, we can conceive of a list of prospects who would all want to buy your product at the exact moment you told them you had it ready to sell. But it seems probable that that state of bliss will never arrive, and no such list will ever be built. However, if you make certain that you choose only prospects instead of suspects for your list, you may at least approach that state of perfection.

Define your prospects first. It's almost impossible for anybody to define a true prospect for your product without knowing as much or more about your business than you do yourself. But a prospect may be said to be a man, woman, company, or institution who under normal conditions will have a definite use for your product, who has sufficient money to pay for it, and in whom a desire can be created for it.

Once you have defined the group who make up your true prospects, your second step in the building of your list requires a decision in geography. Yours may be a national problem or only a local or sectional one. You, and you alone, have to decide what territory your list should cover. Remember, even a good prospect is wasted if he lives in an area that is completely inaccessible to you! Now, keeping in mind who (or what) your prospect is, and having decided on the locality which you can serve, only your own ingenuity limits the source of your mailing list.

List Sources. You can check your own list or build a new one by using some of the following sources:

1. *Commercial-list houses.* There are many concerns that compile local or national lists; some that specialize in industrial lists; others that handle only lists of teachers or lawyers or automobile owners. Most, if not all, of them are thoroughly reliable and can be depended on to furnish the best list within the limits of available information to suit your own particular specifications.

In commercial-list house catalogues you will find every conceivable kind of list from abattoir owners to zinc-product manufacturers. You can order a list of shoe manufacturers rated over \$10,000 in towns with populations of only 5,000, or you can get hardware jobbers in cities of over 1,000,000. However, since commercial-list houses rarely custom-make a list for your specific requirements, except within certain preconceived categories, you can normally expect to pay for some names that are not logical prospects for your product. The best use for "boughten" lists is as a foundation on which to build the actual "perfect" list you want.

2. *Trade directories.* Practically every trade or industry has a directory published once a year or even more often, which you can buy for only a few dollars. These directories contain full information about every organization in the industry and in most cases include a list of the top personnel of each company.

In addition to Thomas' Register of Manufacturers, MacRae's Blue Book, and local, state, and sectional lists of corporations, almost every industry from bee growers to xylophone manufacturers publishes a directory of its very own. The wise list owner buys the directories that cover his market, whenever and as often as they are issued, and checks his list against this and all other new information.

There are several directories published at regular intervals that contain lists of all directories. The best is called a "Guide to American Business Directories," by Marjorie V. Davis, and is published by the Public Affairs Press, Washington, D.C.

3. *Credit-rating books.* Dun & Bradstreet, for example, has lists of practically the entire business community of the country. Lyons Furniture Directory and others for many trades and industries will give you a complete picture of the size and financial stability of your potential customers. Remember in building your list that, in

addition to all of his other required characteristics, a prospect must "have sufficient money to pay for your product." A list of unrated names may be little better than no names at all. Although most of the credit-rating books do not list local addresses, the names can be checked against telephone directories for this information.

4. *Telephone directories.* Practically every telephone book (complete with classified section) published in the entire country is available for a small fee through your local telephone company.

Even though some experts believe that telephone directories are the worst possible source of good names and that the woods are full of horrible examples of misaddressed mailings due to careless selections from books that contain listings for many small suburbs alphabetized along with the larger city names, nevertheless they can be useful for street and locality checks. The classified sections offer a fine source for the names of the local coal dealers, plumbers, or what have you. Although everybody does not have a telephone, practically everyone in business does, and you can add many good names by checking your list against the classified section of the telephone books available for your market area.

5. *Trade and consumer magazines.* The names of advertisers in various magazines may serve your needs as an industry or general list. In addition, these same publications almost always carry pages of information on personnel changes, promotions, resignations, retirements, new incorporations, and deaths. It will pay dividends in mailing-list accuracy to check your list regularly against the information available in the magazines that cover your market.

6. *Government lists.* The United States government publishes more directories than any other known source. A list of these directories will be mailed to you free of charge by the Superintendent of Documents, Government Printing Office, Washington 25, D.C.

The government also publishes "American Business Directories" (a fairly complete list of the directories available for most industries) which is available from the same source for the sum of 65 cents.

7. *Subscription and circulation lists.* Many publishers, particularly in industrial trade lines, rent or sell all or part of their lists. Some of them will allow their lists to be used only by advertisers in their own publications. It may be worth while to advertise in a particular magazine or trade journal in order to secure the use of a list otherwise unavailable.

8. *Company records.* Remember your customers, past and present, are your competitors' best prospects. You must keep them on your preferred lists and make certain that they receive your best advertising efforts, or you will stand a good chance of losing them.

Ledger records, sales slips, and telephone inquiries offer you the finest possible mine for mailing-list digging. In addition, letters, invoices, inquiries, and even the direct mail you receive should be checked for good names. Your own salesmen and service men, not to mention your executive and office staff, can, if properly briefed in the job, keep on the lookout for and then add the best possible prospect names to your list.

9. *Space-advertising coupons, contests, letter inquiries.* All too often these names, which cost thousands of dollars to collect, are not checked and added to lists when an industrial advertiser gets them. So, too, are names on the stubs of admission tickets to conventions and exhibits, and the names in the guest books at booths or your plant visitors' register. Here, truly, there may be "diamonds on your doorstep" that are being completely overlooked.

10. *House magazines and other advertising material.* The average executive sees dozens of house magazines, annual reports, convention programs, anniversary booklets, employee manuals, and other printed material such as "welcome booklets" distributed by receptionists. Many of these contain lists of company personnel and officials. Add all of these and others you can think of to your mailing-list sources.

Additional Sources. If you're still looking for mailing-list sources and haven't found the right one among those listed here, get a copy of the alphabetical, cross-reference "Directory of Mailing List Sources," published by the Dartnell Corporation, Chicago, Illinois. It contains information on 1,200 lists available in 239 classifications. Data for each list give source, name, address, publication date, number of names, cost, distribution control, and frequency of issuance.

Your Best List. All these sources, and there are many others, will be extremely valuable in building your lists, but the best system for building them on a national scale calls for cooperation between the home office, the dealer, and the company salesman. The big difference, though, is how the cooperation is developed. Long, bitter, and expensive experience has proved that the following method is best to follow:

1. Compile or buy the best list you can at the home office.
2. Break it down into dealers' or sales territories.
3. Send the list for each territory to the interested salesman or dealer with a letter telling him it's the best list that has ever been built. Be sure you lay it on thick.

Maybe it's his vanity, but whatever the reason, the more you pour it on in your letter, the better will be your final list when he gets through with it. The very fact that you tell the man in the field, whether he be salesman, dealer, or distributor, that you've done a superb job seems to guarantee that your original list will be torn apart, and that in its place (usually quicker than you dare hope) will come what will probably be the best list ever compiled for the territory.

Remember: Send the salesman, dealer, or distributor a list. Almost any list will do. Don't expect him to build one for you. He'll tear apart what he thinks you think is good, but (usually) he'll do no good compiling one on his own hook.

Your Direct Mail Must Get Action. Make it easy for your prospect to send you an order or an inquiry. Direct-mail advertising has many advantages (and disadvantages) in comparison to other advertising media. But one of its greatest advantages is not always used to its fullest possibilities by even the shrewdest advertisers. Direct mail is action advertising. It is the only medium in which the "package" that contains the advertisement itself can at the same time include all the necessary implements for closing the sale or getting the inquiry.

Magazine, business paper, and newspaper advertisements can include coupons which are simple to tear out, fill in, and mail, but your prospect has to make a conscious effort. He has to find the pen or pencil, the envelope that will carry the coupon, the stamp to pay the postage. Then he has to go through the not always simple problem of addressing the envelope, after the headache of writing his name and address on a paper coupon that rarely "takes" ink and is almost always designed for midgets and midget handwriting.

Direct mail is different. In the selling package you can and should include an order form, a reply card, and/or a reply envelope. The order form, or reply card, can be filled in with the recipient's name

and obviously the reply forms will be addressed to the advertiser and can either be prestamped or bear a business-reply form. You can develop your action forms to the point where your prospect may not have to make any conscious effort other than to drop the card in the mail or enclose the blank in the reply envelope before mailing. If you really want to make your reader work, you can insist that he check or initial or you can go the whole hog and make him fill in his own name and note exactly what he desires.

Direct mail has for national industrial advertisers simple local action advantages that are extremely hard to come by in other media. True, the radio can offer cut-in announcements of local dealers, and the magazine and newspaper can include long lists of where to buy, but direct mail can be imprinted or personalized down to the point where each neighborhood dealer can cover only his actual prospects and, by simple list selection, eliminate all names that do not purchase in his trading area.

However, the mere fact that direct mail is action-producing advertising is no proof whatever that this inherent advantage is being used correctly by most advertisers. Too much industrial direct mail spends all of its time building up an interest in and a desire for a product and then falls flat on its face by not really closing the sale.

Include in your mailings an order form and reply card or envelope. Or, in case you're not looking for direct business, list the places where your product is available. Be sure you take all the guesswork out of the problem of buying what you have to sell, no matter where or how it's sold. We've never heard of a successful direct-mail effort that didn't include some simple device for getting the order back to the mailer, yet we've received many mailings from reputable companies omitting the necessary order blank or inquiry card, or asking us to telephone for an appointment but giving no telephone number.

Continuity Will Pay You Big Dividends. Tell your story over again. Love at first sight is wonderful. But it happens more often in the pages of best-selling novels than it does in real life. Admittedly, there is often an instant attraction between two people who will finally end up in each other's arms solemnly convinced that they both knew it all along. But there are many extremely happy marriages that come into being only after a long and involved courtship. And there are very few salesmen who don't boast about the sales

they have made on their first calls, although even a casual investigation of their own records shows conclusively that the major portion of the products they sell are purchased only after an arduous series of carefully planned solicitations.

But in the face of all the available information, far too many industrial advertisers are prone, in a weak moment, to say sneeringly: "Oh, direct mail . . . well, I tried it once but it didn't work; didn't get enough business to pay the postage cost."

It is undoubtedly true that numerous mail advertisers have had outstanding success with a single mailing offering a specific proposition, but in ordinary direct mail we know of no authenticated case where a single mailing did as good a job as a carefully planned series of mailings. And there are many reasons why this fact is true.

In the first place, it's absolutely impossible to time your individual mailing so that it will reach every prospect on your list when he is in actual need of the product or service you're selling. Some few of them very probably bought from your competitor just the day before your enticing offer arrived. Some others may be too interested in the latest sensation that is spread across the front page of the local newspaper to bother to read your advertising masterpiece at all. Others may be bothered by the heat or the cold, or the wrinkle in the sheet that kept them awake the previous night. Still others may resent the burnt toast they are having for breakfast, or the demand for an increase in Johnny's allowance, or sufficient money for a new coat to match the one Mrs. Jones wore to the club last night.

We know of a prominent appliance manufacturer who maintains stoutly that it takes at least ten mailings to make a prospect think of you whenever he thinks of your kind of product or service. And we know of one particular case in the machine tool field where it took exactly 103 mailings to open a particular account. The fact that this account is now the largest of all those served by the advertiser neither adds to nor detracts from the extreme value of continuity in advertising!

Advertisers who use the other important media are made to realize this fact much more than are direct-mail users. Most radio time is sold in blocks of several weeks' broadcasts. Newspapers and magazines, although they will sell single insertions, give a sizable discount for six, twelve, thirteen, or more advertisements. These media people know that probably the strongest selling force in advertising is con-

tinuity. And the mail advertiser who overlooks continuity in his own advertising is almost sure to fail in his selling efforts.

There's nothing we've ever seen proves the value of continuity as definitely as the results of a survey recently made by one of the large oil companies. In selling its products to industrial users, it found that even if it eliminated all the value gained from its advertising in the mails, on the air, in newspapers, magazines, trade journals, billboards, etc., it still took more than one sales call to open a new account. Actually, they found it took four or more sales calls to close over 80 per cent of their business.

Just how many times you tell your story over again depends on you. If we can assume that you're in business to stay, we should also be able to assume that you can't ever stop telling your story in direct-mail advertising.

It may be true that after even a few mailings to the same list you'll get some requests to take names off your list. But it is equally true that after you've told a man the same thing over and over again for twenty or thirty times, you'll get lots of inquiries and orders marked: "Why didn't you tell me about this before?"

There is no foolproof schedule for either the timing or the quantity of your mailings. You'll have to establish your own by trial and error. But remember, continuity of effort remains one of the most important single factors in the ultimate success or failure of your advertising.

Following the suggestions listed won't for one moment guarantee that you will produce the best possible mailing at the lowest possible price; but used as a check list for the unknowing, or the unwary, it will put many extra dollars in an advertiser's bank account.

YOUR DIRECT-MAIL CHECK LIST

Finally, here is a check list of twelve questions, whose answers (when coupled with a knowledge of direct-mail forms and the principles listed above) should form an excellent foundation on which to build successful industrial direct-mail advertising.

1. Why is your product different from, or better than, your competitors? (Don't stop until you've listed every possible reason you and your associates can think of.)

2. Do you have any executive or employee who is widely known to your prospects or the general public?
3. Is there anything interesting in the history of your company or the number of years you've been in business?
4. Is the volume of your business or your position in your field worth mentioning in your advertising?
5. Do you have any special equipment that makes your company outstanding?
6. Is the location of your office or plant of importance to your prospects?
7. If your products are manufactured by others, are there any names that will add weight to your selling effort?
8. Do you have any trade-marks, trade names, or brand names that are well known?
9. Is there anything noteworthy about your sales department or the way you sell?
10. Is there anything unusual about your packaging, and your methods of delivery and servicing?
11. What facilities do you have for filling orders promptly?
12. Is there anything special you can feature at a particular time during the year?

Chapter 9: COMPANY PUBLICATIONS AS MEDIA OF INDUSTRIAL ADVERTISING

by K. C. Pratt

PRESIDENT, K. G. PRATT, INC.

Let it be said at the outset that private publishing is usually expensive. Attempts to compare costs and strike averages among company publications have little or no validity. The only yardstick is the one that measures performance of the individual publication. Even here, it is often guesswork.

What, then, impels a company to spend part of its advertising budget for a privately printed and circulated publication? If there are no set standards for size, cost, color, editor's salary, staff, reproduction method—and small possibility of an accurate measurement of return—would it not seem foolish to attempt such a venture?

Probably the best answer to these questions lies in the fact that so many companies are using this medium to advantage.

Printers' Ink compiles a yearly list of company publications, or house organs, and over several years has attained the most complete national roster available. For 1951 they list 5,552 company publications.

These are divided into 2,622 *internal* house organs. The internal publication is one written entirely for the employees of a company. As such it is devoted chiefly to intercompany news and information, with usually a strong accent on personnel.

Pictures and text are devoted to reporting changes, promotions, newcomers, weddings, and betrothals among staff people, and similar items of a personal and informal nature. There may be feature

articles explaining various departments within the company—how they operate and who runs them. Reports from the various division offices in distant cities can make the publication do its work on a national basis.

Such a publication can form a warm and human link between management and employees and among the employees themselves. It promotes friendliness and loyalty and tends to foster a team spirit.

A total of 1,890 *external* company publications were on the *Printers' Ink* list. The external house organ is written for circulation outside the company and as such it is an advertising piece to promote the company's goods and services among its customers and prospects. One of its principal advantages, as an advertising instrument, is that it can, by the nature of its format, adopt a friendly "low-powered" approach to selling.

Many successful external house organs are devoted mainly to topics of interest to the reader, such as hobbies, travel, cooking recipes, comment on entertainment or books, and similar subjects of general interest and appeal. In many skillfully written house organs, the company's selling messages are worked in incidentally, so that they become friendly suggestions. A sales approach of this sort may sometimes be more compelling than the high-powered "do-it-now" kind of message.

As many as 1,040 company publications were listed by *Printers' Ink* as combination house organs and are written and produced to be circulated both to the employees of a company and to its customers and prospective customers.

In addition to the house organs mentioned above, *Printers' Ink* lists 189 others which were, at the time of this writing, unclassified.

This makes a grand total of 5,741, and this list, though by far the most complete one compiled, could not be all-inclusive. A total of 6,500 would not be an over-estimate.

According to another estimate made by *Printers' Ink*, there are approximately 30 regional associations and groups of industrial editors, made up of men and women who are responsible for writing and producing company publications. These groups are, for the most part, affiliated with a larger organization called the International Council of Industrial Editors.

In many ways, the company publication is a unique medium. It combines some of the best features of publication advertising and

direct mail. It lends itself readily to individual styling. It assumes, in many cases, a company personality, reflecting the character of the organization through format, copy, appearance, and "feel."

Even when promoting many products, there is little competition for the reader's attention when that promotion appears in the company's own publication. Often it is possible to reproduce the company's paid advertising in the publication—and use the opportunity to expand the story. This is a good way to make advertising do extra duty. The advertisement, as it was first published in a general or business magazine, was circulated to a wide list of readers. Some of them failed to notice it; some were not interested at the time in the product advertised. Reprinting the advertisement in the company's house organ is economical, since the plates have already been produced. Now it is directed, not to a wide list where it will have a relatively smaller proportion of readership, but to the company's "house-organ list," where every name counts, or comes as close to counting as possible. In addition, such reproduction is good "merchandising," for it can be explained in an accompanying message exactly where and when the advertisement was published.

Often the "editorial feature" approach in a company publication can give the promotion a flavor which only publicity in the business press could otherwise give it.

Like all other direct mail, the circulation of the company publication can be closely controlled. Thus, in spite of the higher per-reader cost, there is, theoretically, smaller per-reader waste.

The ideological conception of the company publication, however, is basically different from that of publication advertising or of direct mail. Whereas publication advertising seeks generally to urge upon the reader the competitive points of advantage of the company's product, and direct mail usually makes a strong appeal for a reply, the company publication is a "low-pressure" medium. It depends upon the repetition of familiar impact to create the impression that the company which publishes it and the product they make are worthy of consideration the next time the reader is in the market.

All successful company publications of the external variety have one thing in common. In order, first, to build reader interest in the publication itself and, second, to create good will for the company and the things it makes, they provide a genuine service to the reader. And the measure of success of the individual publication depends

upon the ability of the editor to determine what type of service is best suited for its audience, and then to proceed with its presentation in a skillful and interesting manner.

If a company were to contemplate the establishment of a new publication, it should first define the specific segment of the public it wishes to reach. Would it be the members of the company's merchandising organization? Would it be users and prospective users of the company's products? Would it be the people engaged in a specific vocational pursuit? (This last question would often be answered in the affirmative. As we have already seen, an industrial market is often determined by the occupation of the men who compose it.) Would it be a geographical segment of the public at large? Would it be a group with indirect influence upon company prosperity? Or would it be any one or more of several other definable interests?

The second step would be to determine how best to serve the self-interest of the group selected. This presupposes, of course, a complete knowledge of the pursuits in which members of the selected group are engaged, or at the very least, a careful study of these pursuits.

Here, of course, we face again one of the fundamentals of industrial advertising. If the house organ is to be devoted to promoting the sale of one product, or of a list of products, a basic step is to determine carefully *who* the men are who use the product in their work.

In most cases you will find that this has been set up long ago. A company engaged in the manufacture of power transformers, if contemplating the publication of an external house organ, would already have a mailing list of customers and prospects, all of whom are concerned with the transmission and utilization of electricity in large amounts.

And the manufacturer of inks used in printing would revise his mailing list for a house organ to include production men in publishing houses and executives of printing firms.

Similarly, the maker of paper containers would make sure that his external house organ was directed to dairies, ice cream manufacturers, and other food processors who would logically be the largest users of this product.

The *circulation* of a company publication is its foundation. Its chief value lies in the fact that it can be directed to the people who are customers or prospective customers for the products to be promoted. Waste circulation can be held to a minimum. So the external publication, to be most effective, should be carefully directed to those whose self-interest it is to serve. And by self-interest is also meant that its editorial content should be concerned, to some extent, with what its readers do for a living.

The third consideration is cost. What sort of publication can be produced for the money available? Will it permit the editor to use enough good pictures, a sufficient number of pages, and allow for the development of features which will interest readers? If you decide that there is not enough money to do a good job from the start, then whatever there is might better be used in some other type of industrial advertising medium.

So, when the company publication is being planned, the first step is to determine the job to be done and then to devise a format to fit the job. This procedure, of course, is in contrast to the one where you decide first how much money is available and then estimate what kind of publication might be created within its limits.

In making the first estimate it might be wise to determine how many subjects are to be covered, then to create departments to cover each one. The number of pages in each department can then be estimated, along with pictures and art work. These, plus the features and covers, will provide an estimated total pages.

When all these have been put into a rough dummy, a professional layout can be made and from this an experienced production man can figure the cost of stock, halftones and engravings, art, and mailing. If the cost then appears to be prohibitive, the prospective publishers can look at the proposed book as a whole and figure where savings might be made. However, the general premise that the job should be well done or not attempted at all still holds.

Perhaps the best way to illustrate the three separate points just discussed is to point out successful examples. If the examples cited are all those of large or medium-sized companies, it is because only the large or medium-sized advertising budget is adequate to permit these relatively expensive ventures into private publishing.

The Coca-Cola Company has published *The Red Barrel* for some 30 years. Its trim size is 6¼ by 8⅞ inches. It is usually 32 pages,

plus cover, and printed letterpress on enamel stock. The cover is four-color process. A second color is used on inside pages.

The Red Barrel's statement of policy says that it is "a monthly publication issued by the Coca-Cola Company to develop and promote a higher coordination of all the forces which make 'Coca-Cola' an institution." Designed primarily to be of service to the operators of soda fountains where Coca-Cola is dispensed, the editorial policy is broad enough so that, over the years, many thousands of people with no direct connection with Coca-Cola sales have asked to be added to the mailing list.

The content of a typical issue reflects the company personality as it appears to Coca-Cola dealers. The lead article is titled "Vacationing Is a Business." The author is managing director of the world's largest family resort. The story develops the thesis implied by the title, incorporates plenty of human interest, promulgates a few suggestions for making and keeping customers happy, and incidentally, plugs Coca-Cola as an expression of hospitality. The same subject could have been treated in trade space as a testimonial type of advertisement, but it would have lacked the "feel" of the feature article with its informal text story and its excellent photo sequence.

The Red Barrel has long made a point of publishing general-interest articles on the art of selling. A typical one is by-lined by a corporation president and presents his ideas of what constitutes a good salesman. There is enough information packed into such a piece to impel the reader to rub his hands in glee at the prospects for self-improvement it provides for him.

To change the pace, to provide variety in editorial fare, to appeal to a wide range of reading taste, and to meet its competition for the reader's leisure time, *The Red Barrel* goes into material of national interest. One recent article explained the working of the International Bank for Reconstruction and Development and was written by its president.

The back of the book is usually devoted to ideas for improving physical appearance, sales, and profits of the fountain operation. Here pictures of actual installations, promotion programs which have proved successful, hints, tips, and instructions for better operation are used.

The front cover of a typical issue is devoted to an interest-arousing color photo featuring the company product; the second cover shows

a current billboard; third, a good dealer sign; and the back cover spots the location of Coca-Cola syrup plants in a full-page advertising display.

The net effect of the repeated impact of *The Red Barrel* is a worth-while, helpful, interesting contact with the company which supplies one of the items used by the reader.

Different in appearance and content, but based upon the same service-to-the-reader formula is *Stet*, the monthly publication produced by The Champion Paper and Fibre Company for editors of company publications.

Here, a company external publication has defined a group to include members of a single profession, without geographical limitations but with a community of interest. And while the field may be unique to the extent that there is no trade publication devoted to its specific interests, there are several trade magazines through which companies supplying industrial editors may advertise their wares.

Stet, now 12 years old, shows, like many another company publication, evidences of the evolutionary process. When it was started, there were, comparatively speaking, only a small handful of industrial concerns with publication editors. The market for the Champion products, which *Stet* was designed to promote, was therefore comparatively small and its potential volume represented a tiny portion of the company's total output.

Stet started out by telling editors how to produce their publications, how to run their jobs. Because many of them enjoyed little more than amateur standing within their own companies, they seemed to welcome a certain amount of paternalism, and from the point of view of reader acceptance, the publication was an instant success.

However, there is a limit beyond which a publication cannot go with impunity in the matter of furnishing instruction to the neophyte, and the editor who does not recognize the signs is soon up against reader apathy.

One of the fortunate circumstances which enabled *Stet* to change its editorial pace was the quick but solid growth of industrial editors' associations. Without a trade publication in the field, it was logical for Champion's external publication to step in and function in that

capacity, at least insofar as reporting the activities of such associations is concerned.

Another shift in the editorial policy of *Stet* eliminated the paternalistic pointing of the way and substituted, in its stead, a straight reporting job of material of common interest presented in feature story fashion. Thus, an editor might learn first through *Stet* of something of interest to his field in general, and by the exercise of his own ingenuity shape the ways and means of adapting the idea to fit his own purposes. Usually, sources of additional information and material were made available, so that the decision became the reader's own, and if he first learned of the idea through *Stet* and then decided to do something further about it, he became, in effect, a participating reader.

A third evolutionary element in the *Stet* editorial policy was the introduction of case history studies. Identification of a problem with one which had existed in another company and which was solved successfully naturally drew the reader closer to the publication.

In most cases, a company publication must promote its products by means of pictures and text, rather than by demonstration. In the case of *Stet*, however, the publication itself is a demonstration of the quality of the company product, directed to the attention and interest of the buyers and prospective buyers of the product. It is, perhaps, one of the few "naturals" in this respect.

Because the publication is an actual demonstration of Champion products in use, there is little point to high-pressure sales promotion within its pages. It is, first of all, highly acceptable as a service organ. If the printing quality is good, and it is kept that way, the product specifications are readily available in each issue. With national distribution, the telephone "Red Book" will tell anyone where to buy it. And periodically, *Stet* runs the list of Champion merchants, who are glad to cooperate in furnishing any desired information and samples of other grades in the line.

It is not surprising that such a publication, devoted to reader service as it is, should find favor among many people whose proximate interests are apart from those for whom it is specifically published. For example, many a company advertising, or sales, or personnel manager has asked to be added to the mailing list. They want to know what is available from outside sources to the people

under them. They want to know what the men and women down the line are reading. They, themselves, sometimes find *Stet* a source of ideas in their own fields, especially where these fields include a company magazine. And when the subject of their own company's paper requirements comes up, among the names of paper manufacturers which first come to their minds is "Champion."

Another tangent area in which *Stet* is effective is among students in high schools and colleges. Together with other company literature, *Stet* is used as instructional material in many journalism schools throughout the country. And, in spite of the fact that no effort is made to increase the *Stet* mailing list, names being added only upon specific request, it is felt that these students, when they get out into the business world and become paper users, will carry over a substantial amount of loyalty to the brand name because of the helpfulness which they received from it.

Stet is an eight- or twelve-page monthly, 8½ by 11 inches in size, printed in two colors with an occasional four-color, die stamped, or other demonstration piece cover or insert.

Entirely different in appeal, and without the emphasis on vocational service, is *People and Places*, published for DeSoto and Plymouth dealers and distributed with their individual imprint.

While it is perfectly feasible to fashion a publication that will supply an operation and maintenance service for automobile owners, *People and Places* has found it advantageous to develop a general-interest content which has strong entertainment appeal to adult members of the family. The editor is always in the market for unusual stories which can be told in a minimum number of words accompanied by outstanding photographic illustrations.

Glancing back over a number of copies of *People and Places*, the reader will find a pictorial account of the first ascent of Mount McKinley by a woman; a feature on the Kings Point Merchant Marine Academy; a spread called "Spring Comes to the Zoo"; dramatic pictures of a radio show; a camp meeting story; and features on such interesting subjects as horses, boating, the Smithsonian Institution, model airplane making, beauty culture, the Mount Palomar telescope, movies, vacation places, and the like. Succinct in wordage, graphic in illustration, *People and Places* competes with the best of

the general magazines found in the same homes on an equal basis from the standpoint of professional presentation.

Inside front cover of each issue of *People and Places* is a full-page advertisement for a company product. Back cover usually plugs DeSoto-Plymouth service, over the dealer imprint. Often an inside feature is devoted to motoring in one or another of its aspects, with a pleasant company tie-in.

People and Places is 8½ by 11 inches, usually sixteen pages, replete with color. Its circulation is more than a million copies per issue among owners and prospects for its sponsor's products and services.

Conceived on an entirely different editorial level, but still firmly based upon the service-to-readers concept, is the little 5¼ by 8¼-inch, sixteen-page offset *Co-Operator*, published by R. G. LeTourneau, Inc., for operators of the company's earth-moving equipment, mechanics, and owners. It has a world-wide circulation, wherever LeTourneau machines are used. It aims at keeping readers informed of recommended operating and maintenance practices, of equipment developments and applications.

Produced as inexpensively as possible, the *Co-Operator* carries no color and depends entirely upon the fund of information readers have come to know it contains.

There's a big bid for reader participation in the editorial policy of the *Co-Operator*. One issue, for example, promoted a prize contest for submitting photos of the oldest tire still in use on LeTourneau equipment. Another reader-participation device is a page of "prize letters from the man on the job," which tell how various kinds of problems have been handled and solved by operators.

Attempt at news reporting is made in the guise of news features on job development and completion, recent product acquisitions, equipment adaptations to specific or unusual problems, and the like.

"How to" articles are an important part of the main body of the publication. These instructional treatises give actual step-by-step procedures in product maintenance and operation and help the customer to get better and more satisfactory service from the equipment.

The editor of *Co-Operator* uses such standard devices to maintain reader interest as good typography and layouts, a generous sprinkling

of story-telling photos, cartoons, names of people, and pictures of personalities.

Another external publication which vies with top-ranking news-stand publications is a monthly put out by the Phoenix Metal Cap Company of Chicago.

Restraint is the distinguishing mark of *Phoenix Flame*. The magazine, measuring 8½ by 11 inches, is austere modern; it uses two colors for cover design and original illustrations which appear throughout each issue.

Stories, articles, poetry, and regular features range from serious to dryly humorous; all aim at general interest. Product promotion is limited to outstanding studio photographs of Phoenix products in use.

The publication is unique in many ways and draws a great deal of fan mail. Reader-praise comes from students in art and design, librarians, promotion managers, fellow editors, and art directors, as well as from customers. Almost noncommercial in its approach, *Phoenix Flame* is sufficiently "different" to fix the name of its sponsor and his products indelibly in the reader's mind.

Its cost of production is high; so high, in fact, that the company spends little elsewhere on industrial advertising. Yet it feels that the quality of the publication carries an identification of quality over to the company product and indeed to the company itself.

Planting this idea, plus repetitive brand-name impact, constitutes a complete promotion program in itself.

Examples of other successful external company publications used as effective media of industrial advertising could be cited by hundreds. As a method of bringing pertinent information on product and service to the attention of selected audiences, it has no peer.

But, being a newer method than some of the others in current use, it is well to explore specific application of the company publication to the promotion problem at hand with great care. For, unless the application can be worked out wisely, it becomes a gaping repository into which to pour money that does not return a profit.

Chapter 10: CATALOGUES

by Anson A. MacLaren

FORMERLY ADVERTISING AND
SALES PROMOTION MANAGER,
CATALOG SERVICE, MCGRAW-HILL
PUBLISHING COMPANY, INC.

With the advent of larger and more complicated company organizations, the day when a salesman carries his product knowledge in his head and relies upon his memory has virtually disappeared. In many companies the salesman may be a "product specialist," responsible for only one or two product lines. But the general or complete line salesman, confronted with ten, fifty, or fifteen hundred products, cannot possibly know everything about all of them. He must be equipped with powerful, convincing sales tools for his own education and for use with customers and prospects.

In the industrial field, the catalogue is generally considered a basic sales tool. It functions to acquaint salesmen and customers with the products of a manufacturer. This dual purpose emphasizes the importance of the modern catalogue in the broad process of marketing.

According to the dictionary, a catalogue (or catalog) is "a list or register; esp., a list arranged in alphabetical order, with brief particulars concerning the names, articles, etc., listed." This definition requires interpretation in terms of the cataloguing problems of the manufacturer of industrial products in today's markets.

To many of us, the word catalogue signifies Sears, Roebuck or Montgomery Ward. However, this type of catalogue is a compilation of many products made by many manufacturers and has no exact parallel in industry, with the exception of a few jobber or distributor catalogues. But there is much to be learned from the large mail-order catalogues such as Sears, Roebuck and Montgomery Ward. For many

years, millions of dollars' worth of merchandise has been sold through this medium.

Three basic factors must be kept in mind when a company starts to prepare a catalogue presenting its products:

1. Who will receive the catalogue?
2. Will it be available when needed?
3. Will it provide all the answers the prospective customer needs?

The end result that you hope to accomplish, in most cases, is to get your salesman into the prospect's office at the time an order is to be placed. Usually, a catalogue is referred to in order to answer some basic questions, and this usage occurs *before* the salesman is called in to quote price and delivery and other questions applying to a specific problem.

Let us start from the beginning and consider the preparation of an industrial catalogue.

WHAT IS THE PURPOSE OF THE CATALOGUE?

An industrial catalogue is a form of advertisement which wraps up in a single package the full details about a product or group of products, so that those who wish to obtain information can do so quickly and without the trouble of calling in a salesman until they are ready to place an order.

A publisher of pre-filed catalogues uses this slogan in his advertising: "Sellers seeking buyers use advertising; buyers seeking sellers use catalogs." This brief statement points out the different intent of the catalogue from that of a business paper advertisement.

From the standpoint of the manufacturer, the problem of preparing an adequate catalogue on his products may be complicated. For example, if he manufactures a related line of extremely complicated, highly engineered products, the type of buyer will have a marked effect on the type of information he prepares. If, on the other hand, the product is a simple item whose repeat sale volume is high, the job of cataloguing is comparatively simple since most articles of this type may be purchased "over the counter" from a jobber or retail outlet such as a hardware store. Therefore, in preparing catalogues of value to manufacturer and user alike, we must determine the buying habits of industry.

Industry Buying Habits. The requirements of the "roughneck" in the oil fields who wants product information will differ from the scientist doing research in atomic energy. The "end use" requirements of the user obviously differ and, therefore, the type of printed information also differs. This means that when contemplating a catalogue on what we as manufacturers have to sell, the buying habits of our potential customers should be thoroughly explored so that our information will be tailored to the user's needs. Unless this is done, the odds are in favor of our catalogue winding up in the nearest waste basket.

If you are preparing a catalogue for the use of distributors and distributors' customers, the kind of information and its method of presentation must be carefully studied or your distributors may start looking for another supplier who is more sympathetic to his problems from the standpoint of providing information.

BASIC TYPES AND FUNCTIONS OF CATALOGUES

A catalogue is a means of getting your product story across to a potential buyer. In many cases this buyer will consult more than one catalogue before reaching a buying decision. However, a recent study, "Industrial Buying Practices," conducted by the National Industrial Advertisers Association, showed that an average of only 2.7 different makes per purchase were considered, despite the fact that an average of 25.6 makes were available for each product considered. This points out very strongly that only about 10 per cent of the possible suppliers received any consideration. Further, 80.2 per cent of the buyers preferred having printed information before talking to a salesman, yet only half (39.4 per cent) had such information when buying action started.

With the facts from this study available, it becomes clear that a comparison of printed literature is the basis most often employed in deciding which salesman would be called in. Therefore, for our particular catalogue project we must consider:

1. Purpose.
2. Market.
3. Buying habits of the market.
4. Type of catalogue required.

Let us review some of the more common types of catalogues being used by industry today. You may be surprised to know that so many variations exist.

Mail-order Catalogues. This type of catalogue is perhaps best illustrated by Sears, Roebuck or Montgomery Ward as mentioned earlier. The product is illustrated, brief selling copy is given, and the price is shown. Generally, order forms are enclosed. Wholesalers often use this type of catalogue with dealers, and some industrial product manufacturers use it effectively on certain product lines.

In general, this type of catalogue is most effective when used for relatively commonplace items that are "bought" rather than "sold."

With the exception of the mail-order type of catalogue, most of the catalogues used in industry are for the purpose of establishing exactly what the manufacturer has to sell, so that the user can make at least a tentative selection before asking a salesman to call or entering a purchase requisition. It is important to bear in mind that many factors and many individuals have a say in the buying of industrial products. (This is particularly true when a manufacturer is designing a new product and is anxious to determine the type and make of a component best suited to his problems.) With this thought in mind, let us look at some other types of catalogues to see the particular function to be performed.

Specific Market Catalogues. By this we mean a catalogue of all of a given manufacturer's products for a specific market, such as the petroleum refining market and textile market. This type of catalogue may contain prices, at least for estimating purposes, but again, if the products involved are largely custom built, this is not too practical. For example, a Slasher Driver for the textile industry will involve many component parts, and the exact number and arrangement of them will necessarily vary with every installation. In these instances, it is usually desirable to show actual installations of this type of equipment with pertinent specification data, so that the reader of the catalogue is convinced that he should at least give the company an opportunity to quote on the project.

It is important that any catalogue on a single product, whether it contains two or forty-two pages, give the prospective buyer sufficient information to invite further action. Failing this, the cata-

logue is valueless to most readers and may serve to discourage the prospect from considering the manufacturer's product again.

If your product has any limiting factors or applications for which it should never be employed—tell the reader so in your catalogue.

Distributor or Jobber Catalogues. This type of catalogue is usually not too technical in wording. It features semiglamorous illustrations of the product or products and, in addition to list prices, it includes the discount structure established by the manufacturer for this class of outlet. Frequently, this type of catalogue serves two purposes: one, to inform the distributor's salesmen of the manufacturer's products; and two, to show the distributor's customers the products they can buy. It is desirable to include a certain amount of selling copy since in the absence of a distributor's salesman the prospect must sell himself from the catalogue.

Condensed Catalogues. Sometimes this is another name for a jobber catalogue, but it is also widely used for other purposes. For example, a manufacturer who makes five hundred separate products which may be used by many industries will frequently prepare a condensed or "what we make" type of catalogue to answer requests for his big product catalogue.

The condensed catalogue may include prices and a discount sheet as well as a listing of the distribution outlets of the manufacturer, so that it is easy for the prospect to obtain additional information quickly.

Pre-filed Catalogues. The term *pre-filed*, although known for many years, is not so well understood as it should be. To explain what we mean, let us assume that you, as a buyer of electric motors, would like to have catalogue information available from ten different motor manufacturers. Now if you write to each of these ten manufacturers for a catalogue, the chances are you will receive about 75 pounds of information, either in bound or loose-leaf form, and you then have the problem of filing this data for future use.

The pre-filed catalogue, by containing condensed product information on the lines of 10, 20, or more motor manufacturers, does the filing job for you, because motors and other related products are

issued frequently, plus the mental question, "Is this up to date?" on the part of the user.

The bound catalogue on the other hand, while generally compact and easy to use, cannot be kept up to date. To offset this fact, bound catalogues are generally reissued at regular intervals. Prices contained in a bound catalogue are usually considered as "estimating prices" and all pages usually carry the line "Prices and discounts subject to change without notice."

Some companies issue the same product information in both loose-leaf and bound form. They prepare the loose-leaf data required by their own salesmen and some customers, then simply print the same pages in bound form for more widespread customer distribution. This procedure reduces the production cost and permits tailoring bound catalogues at considerably lower cost.

In order to determine the most effective method of issuing a catalogue for an individual company, a survey of customers and prospects is highly recommended. You may find preferences strongly established in a particular field, and any deviation may prove disastrous. Any manufacturer's catalogue lying unused is a liability and represents an actual loss in dollars and cents to the company. A catalogue must be used to be productive and justify its cost.

Catalogue Design (Format). The physical appearance of a catalogue can do much to further its use. Good design can be accomplished without resorting to elaborate art work or four-color printing. Logical organization of your product story is the keystone of good catalogue design. Many factors will influence its physical format and this physical make-up alone should not be the primary consideration. Never forget that the primary purpose of any catalogue is to move goods. Unless this is the end result, design as such means nothing.

In approaching the design problem, you must make several basic decisions: how many pages; one color or two; what type of illustrations; what size of type face and font; page size, etc. All of these have a direct bearing on the cost of the publication. Cost or budget is a primary factor in catalogue design.

The market and purpose of the catalogue will frequently have a bearing on the design. In a few instances, over a period of years a

manufacturer's literature is recognized and associated with his product line simply through the design of his catalogue.

A few simple rules will serve as good guides to effective catalogue design:

1. Be sure your reader can tell what you are offering for sale.
2. Relate illustrations to descriptive text.
3. Keep text brief enough to encourage reading, yet complete enough so that the reader is not confused through lack of understanding.
4. Avoid generalities; be specific.
5. If dimensional drawings are included, make sure the dimensions can be read.
6. Make it possible for the reader to do something about it, *i.e.*, include ordering information, branch offices, telephone numbers, etc.

In the preparation of catalogue copy, remember:

1. Make it clear.
2. Make it brief.
3. Avoid superlatives unless you back them up.
4. Use factual engineering curves and drawings in place of words if they will make the subject easier to understand.

Keep in mind that good catalogue design is not necessarily arty, nor is it depressing. If it enables the reader to grasp what you are offering for sale and to decide whether it will meet his requirements, your catalogue will have served its purpose.

Remember also that very few people pick up a catalogue as "light reading." Every time someone reaches for your catalogue, a possible sale hangs in the balance. Make sure that you do not lose an order because of poor organization and incomplete information.

CATALOGUE DISTRIBUTION

Once a catalogue has been printed it must work to pay its keep. How best to distribute the publication is an important decision that actually should be reached during the planning stages of a catalogue. The method of distribution will have definite bearing on the physical make-up of the publication, size, weight of paper stock, etc. Make sure you know how you plan to distribute.

Essentially, there are three methods for distributing a catalogue:

1. Mail it to some kind of list.
2. Have salesmen hand it out.
3. Include it in a pre-filed catalogue for the market you are trying to reach.

Let us consider each of these methods briefly and see what is good and bad about them.

Mailing Lists. This is the most widely used method for distributing catalogues in quantity. This is true even when the manufacturer himself sets up an elaborate system for building mailing lists through his field sales organization and perhaps through the medium of field sales promotion managers. Obviously no mailing list is any better than the names it contains. If it is 100 per cent accurate at all times, no better method exists for mass distribution of a manufacturer's catalogue.

Many manufacturers will run advertisements offering their new catalogue if you write in for it on your own letterhead. This has some advantage because you have an opportunity to screen every request and reject those you do not feel have a valid reason for your book. Often too, a postcard or form is included with copies mailed, requesting that it be returned so that the accuracy of the list can be checked.

Personal Handout. Many manufacturers feel that this is the real way to get "top level" distribution. In some cases this is unquestionably true, particularly if you have only 100 prospects or customers.

However, this process is slow and, to a certain extent, wasteful because the salesmen frequently feel they must hand out a catalogue to everyone within the department they may be visiting. Of course, many catalogues are handed out at trade shows by salesmen. This too can be wasteful, and many manufacturers are now only exhibiting the literature they have available, requesting that a card be filled out by anyone desiring a catalogue after the show.

Pre-filed System. This offers many advantages. The use of a pre-filed catalogue makes possible a smaller physical area in which to look for catalogue data. It offers the manufacturer a better than average

chance of having his catalogue compared with that of a competitor, thus broadening the chances that he might get an order.

Unquestionably the pre-filed system will never replace the entire catalogue setup of a manufacturer, but if he places adequate product data in such a system he can lessen the demand for other catalogues and, at the same time, reach a guaranteed audience who only reach for a catalogue when buying action is under way.

The problem of producing useful, attractive catalogues calls for experience and teamwork. It is essential that sales and engineering departments cooperate with those assigned the task of getting out "your" catalogue. As a "basic sales tool" it must be complete and easy to use. A good catalogue can produce inquiries and orders by saving a prospect's time. Strive to make your catalogues as attractive and illustrative of your company as you do your business paper advertising, sales promotion, and direct mail. You'll find that it pays off.

Chapter 11: INDUSTRIAL

SALES PROMOTION

by John A. Lemly

ADVERTISING AND SALES PROMOTION
MANAGER, A. E. NETTLETON CO.
FORMERLY ADVERTISING AND SALES
PROMOTION MANAGER,
BURNDY ENGINEERING CO.

The industrial advertiser of today must support his sales staff with pure advertising, *i.e.*, business publications, direct mail, and other media. The advertiser must also provide his staff with a variety of materials and selling tools, which we shall call sales promotion and merchandising aids.

These sales aids vary in the industrial market, as do the industrial products. Aids must be devised specifically and prepared to fit the product and the method of selling that product. There is no set formula or book of rules to reveal to the sales manager which of the promotion tools to choose in order to produce more sales. It has been proved that a good salesman, equipped with a well-devised kit of sales promotion and merchandising tools, can do an outstanding job in the industrial field.

Sales promotion within an organization is charged with certain fixed responsibilities, which we shall outline here. Such responsibilities may be given to an individual, or to a department if the operation is able to support it. This listing will serve as a guide or a target at which your sales promotion department may direct its fire.

General advertising may be compared to "scatter shot" in a salesman's rifle, necessary to do a mass selling job in his market; but sales promotion material, used properly, is a salesman's "rifleshot," which he should aim directly upon the sales target for a direct hit.

First, we will give you the over-all picture of the sales promotion department as an organization and describe how it functions within the company plan. We will then point out and discuss the more successful and commonly used sales promotion media, which are, incidentally, the tried and true ones.

DUTIES OF THE SALES PROMOTION DEPARTMENT IN INDUSTRY

An industrial sales promotion department functions for, and coordinates, the promotion activities of the sales department, the advertising department, and miscellaneous production departments for the sole purpose of equipping the selling arm of the organization with materials that will help sell the company and its goods.

For the Company. The activities of the sales promotion department work constantly for the company. These activities include a constant study of cartons, packages, and labels from the viewpoint of appearance, better use, and easy shelf recognition; preparation of manuals, instruction sheets, inserts, and tags, as well as installation data enclosed with the product.

Publicity and news releases keep the organization and the trade informed of new products, new equipment, or new uses of established products. This department informs the company personnel of competition and its activities in the field.

For the Sales Department. Sales promotion activities include the writing of sales letters, "new customer" letters, and "lost customer" letters; analysis of sales records; planning demonstrations in the field; correspondence with the company salesmen and with dealer, jobber, and wholesaler salesmen; checking on daily inquiries; preparation of trade shows and exhibits, sample and demonstration displays; handling of trade shows and association meetings; planning, writing, and making detail arrangements for talks and speeches given by company and sales personnel; assisting with sales training programs; designing of special displays and exhibits for school and college educational use.

For the Salesman. Though sales personnel are a part of the sales department, the promotion group is the right arm of the company salesmen. These activities include the preparation of catalogues,

technical bulletins, manuals, and price lists; portfolios, merchandising presentations, sample boards or cases, display and point-of-sale material, sales training courses, confidential house organs, premiums, novelties, form letters, and salesmen's contests.

For the Advertising Department. In the advertising department, sales promotion activities include reviewing of advertising and copy to get more *sell* and *promotion* into them; maintaining a mat and electro service for jobbers and wholesalers; assisting in the preparation of advertising, sales promotion, and merchandising presentations for the company salesmen and wholesaler salesmen; providing liaison between the advertising and direct-mail sections; assisting with institutional publicity and speeches; gathering testimonial data; helping to design material for counter use, such as folders and pamphlets used at the point of sale. In general, the sales promotion department is responsible for the coordination of the activities of the sales, advertising, and production departments.

For the Jobber and Wholesaler. The sales promotion department's number-one responsibility to its sales manager is to work closely with the jobber and wholesaler market. The jobber and wholesaler salesman must be sold on the company, its products, services, advertising, and promotion and merchandising efforts, which are directed at him for his use. This group must be educated to use the sales promotion and merchandising aids furnished by the manufacturer to obtain more business.

These aids include catalogues, price sheets, point-of-sale and display materials, demonstration displays, direct-mail items, samples, trade presentations, house organs, and sales training presentations, as well as shows and exhibits.

SALES PROMOTION WORKS FOR THE COMPANY

Packaging. The sales promotion man must keep his eye on all packages, cartons, and shipping cases, as well as the labels, from the standpoint of the company and more important from the point-of-sale viewpoint. All packaged goods should tell the user, in a flash, the pertinent data he requires. Field use and on-the-job investigations will give the promotion man many of the answers to his packaging problems. Talk with the counter men, the mechanics, the warehouse-

men, and each one will tell you what he needs to "do right" by your products which he handles daily.

Instruction sheets, manuals, tags, or inserts should be included with all packaged goods. Tell the user the proper way to use your products. Use short, clean, and to-the-point copy. Illustrate your instruction data with sketches. Clarity and simplicity of presentation are necessary, for these sheets are many times referred to in the field. If you have packaged goods requiring no instruction data, be sure to insert a simple piece of literature promoting your other products in which the customer might possibly be interested. He may not know that you make items other than the ones that he generally purchases.

Publicity. This promotion device has been found to bring an excellent response for more information from the trade. The manufacturer should have great respect for this media and a definite part of his sales promotion and merchandising efforts should be used for publicity.

Personnel. Keep the name of your firm and its executives before the trade whenever the opportunity presents itself. Changes of personnel affecting your policies should always be announced through the trade media available.

New Products. As new products are designed and ready for the market, make illustrated publicity releases at the disposal of all trade and technical publications in your field of operation. Editors welcome these releases and will place them in the "New Products" section of their publications.

Standard Products. Case history or unusual application stories, accompanied by verifying photographs or sketches, are always good material for trade publicity. Many trade and technical publications will follow up leads given them by a manufacturer, to keep the story objective as well as newsworthy. Always make arrangements with the publisher to obtain reprints of the stories that discuss your products either directly or indirectly. Use the reprint material as the basis of your own presentation which you will distribute through your own sales personnel or through your own direct-mail lists to the trade. Always observe the proper credit courtesy to the original publisher.

Public Addresses. If a member of your firm speaks before a trade or technical group, on a subject of general interest to the trade, be

very sure that the proper advance publicity releases have been made. When desirable, reproduce and distribute the speech to the trade through your sales personnel.

Speeches, talks, technical papers, and trade-association activities are excellent publicity media for any organization and every effort should be made to take advantage of this type of institutional promotion.

SALES PROMOTION WORKS FOR THE SALES DEPARTMENT

Letters. Sales letters to the trade will never be replaced. They should be warm and personal, yet businesslike. A well-written, to-the-point letter is an excellent wedge in getting new business or just to tell the established customer that you still want more of his business. Here are a few letter suggestions.

Illustrated Letters. These may be used to make a particular point. The illustration may be a technical one, or a comic character is often in order, if it is applicable to the subject matter in the letter. Seasonal sketches or simple product or product-application sketches are also good.

Novelty Letters. Paste-on novelties or gimmick letters certainly have their place and will tie in cleverly with a merchandising or promotion idea. There are a number of good novelty and mailing specialty houses offering a variety of paste-on gadgets to help you in "driving home" a particular point in your sales letters.

Divided Letters. If your letter is a short one and requires a reply, why not give the addressee one-half or a portion of the sheet to make that reply? Try separating the page at an angle rather than the traditional horizontal division. Response has proved to be exceptionally high, because it is a different approach.

Miniature Letters. The undersize or miniature letter or facsimile of a note pad lend variety to your mailings. These little letters or notes are very good to use when answering customer requests for catalogues or literature. The note-size communications can be used as individual notes or as a clip-on attached to a larger piece of advertising or promotion material. Letters deserve to be read and retained, if they carry a helpful and informative message. However, a word of warning—cheap, poorly duplicated letters are sure-fire candidates for the "circular file." Today there are many good letter firms who specialize in producing duplicated letters which simulate individually

TEL. MOTT HAVEN 9-1400
CABLE: BURNDY NEW YORK

BURNDY
Engineering Company INC.
107 BRUCKNER BLVD., NEW YORK 54

**ALUMINUM IS NO PROBLEM
AT BURNDY**

Aluminum conductors in one form or other have become more and more popular during recent years.

It is perfectly natural that Burndy, as leader of the connector industry, should keep pace with this development and be prepared to supply connectors for joining these aluminum conductors wherever they may be used.

Connecting aluminum does require a little different treatment than that used on some other materials but, with properly designed connectors and respect for the well-known characteristics of aluminum, the job can be done simply and effectively.

Whether it is a matter of connecting aluminum tube bus, A.C.S.R. on your high lines or insulated aluminum cable in a building wiring job, there is a Burndy connector that will insure a permanent, dependable joint.

If you are using or are planning to use aluminum conductor in any of its forms, let Burndy give you the benefit of its extensive research in this field. Although we have said before, that there were no problems with aluminum at Burndy, there can be some very serious problems if your aluminum conductors are not properly treated and connected.

Just drop us a line with a brief explanation of the connections to be made and we will do the rest.

Very truly yours,
BURNDY ENGINEERING CO., INC.



EED:dh

E. E. DeMarsh
Sales Manager

B

ELECTRICAL CONNECTORS FOR WIRE, CABLE, TUBE AND BAR

Figure 11-1: A sales letter sent to promotion list of customers, prospects, dealers, and salesmen. It is the first page of a four-page mailing piece. Inside pages carry a reprint of the company advertisement also dealing with aluminum.

typed ones. Remember, a prospective purchaser of your goods is not at all flattered to receive a mill-run, duplicated letter. Yes, there is a place for the cheaper, quickly duplicated communications and that place is the business-family communication within your organization—not to the trade. Put your best foot forward. A letter is either a powerful or a poor introduction of your firm to a prospective client.

Field Promotion. Activities in the field are valuable contributions to the sales force. These include:

Field Demonstrations. These provide the strongest selling ally yet known because the customer can see the product in use and under simulated use circumstance. If your product is applicable to this on-the-job "here's how" technique, use it as widely as possible. Many aggressive organizations have used demonstration trucks, complete with product displays, which are taken to the customer's place of business.

Exhibits and trade and association shows provide the means for the manufacturer to show his products, to meet his potential customers in a casual manner, and, most important, to place his company name before large groups of buyers in association with other top manufacturers. This is fully explored in Chapter 12.

Educational Displays. If applicable to your product, educational displays are welcomed and used by technical schools and colleges. Many manufacturers use a portion of their annual sales promotion budget for educational displays and demonstrations. Escorted tours through manufacturing plants are also made available to students who are specializing in industrial works.

SALES PROMOTION WORKS FOR THE SALESMEN

As we have stated earlier in our general outline, *Though sales personnel are a part of the sales department, the promotion group is the right arm of the company salesmen.* Sales promotion materials are of constant service to the salesman. All catalogues, catalogue data sheets, price sheets, technical bulletins, instruction and installation sheets for the use of company salesmen, their jobbers, and wholesalers, are the responsibility of the sales promotion department. Organizations have found it desirable, in an effort to avoid costly errors, to

set up a rigid checking system whereby a responsible party in each department concerned with catalogue and pricing data must review and initial all such material before it is released for reproduction. Here are a few of the ways in which promotion works directly for the salesman.

The Presentation. This promotion device is an illustrated method of selling a product by a sales, a promotion, a merchandising, an advertising, or an organization story, in whole or in part.

Presentations may be used to tell your sales and service story, both to your own staff and to your new jobbers and wholesalers in the field. A sales story, well told, will always bear repeating; therefore do not hesitate to tell it again and again to your established distributors and their sales force. A carefully prepared and well-rehearsed script delivered simultaneously with the presentation is most effective.

The use of two voices is preferable to one. Use the question and answer technique, where applicable. If you have a substantial budget for the preparation of your presentations, consider the use of electrically transcribed records instead of the live voice. The master records and duplicate pressings are not expensive and they may be executed in a more professional and accurate manner with little practice. Duplicate presentations and accompanying records may, in this way, be distributed to your sales organization on a national basis, accomplishing your project quicker and more efficiently.

Presentations can be a most effective, easy-to-use method employed to tell your company or product story. They may be prepared in a variety of media, such as chalk talk, strip film, movies, slides, and color or black and white transparencies, and can be made in either giant or desk size. If you are embarking on a new series of presentations for your company, make an effort to use the same media for all. For example, if you are to use slides for your various presentations, you will then have a desirable flexibility of make-up. According to the market, you should choose the slides that best tell the many stories which you wish to tell. Salesmen want presentations which may be set up and used with facility. They will not use poorly conceived or unwieldy promotions.

Many salesmen, particularly the more experienced and successful ones, will resent the use of prepared promotions. Point out to them

that the prepared stories are done primarily to gain attention and to put the story in an orderly, well-stated, correct, and attractive form. A good salesman will always memorize the contents of the presentation and give it in his own manner, using it simply as a guide in telling his story to his customer. Generally, a sales-promotion-minded salesman will welcome such a display; they lend variety and change of pace at meetings with his clients. A presentation showing affords the company man an extra opportunity of getting a group of salesmen together to listen to his story. Aggressive salesmen will ask questions at such meetings and he will be prepared to answer them. Many good presentations incorporate the more obvious and chronic questions; therefore beat the customer to the punch with the answer. It is a good trick that builds good will and confidence.

The Organization Presentation. The story of your organization, its leadership, and its products can be clearly, intelligently, and advantageously told with a presentation. For example, by means of a photographic series take your clients through your plant, show them your executives, point out your unique manufacturing features and services. With such a folio you have the opportunity of showing your factory, your line of merchandise, where you sell it, and the manner in which you sell. Include your advertising, sales promotion, and merchandising programs in your exposition. Use installation photographs and on-the-job evidence of your products. When possible, include the name of well-known organizations that use your merchandise or your service. The organization presentation is generally used by your own sales representatives when introducing themselves to a prospective customer, or new outlet. The same presentation serves as an excellent personnel or sales training medium.

The Product Presentation. By using the organization presentation as a base, specific product presentations may be prepared easily. Take the portion of the organization story that you wish to use and add specific product or product line illustrations to the story, tailoring it to your audience.

New Product or New Market Presentations. If a new line of products is added to your existing line, or if you wish to break into an entirely new market with your goods, once again tailor your presentation to fit the occasion for its use. Choose the key subjects from the organization and product story as the foundation and follow

through with the "new" part of your presentation. With such a formula you have presented a strong company background, pointed out your established products and the markets in which you are well known, and with logical, reason-why copy, the story of your new product or new market has been told.

Display. Simple cases, display boards, demonstration and testing devices, and other means of showing the company products present a challenge to design, to prepare, and to make useful selling tools for the salesman. Arm your sales personnel with something other than a catalogue, a photograph, and a price sheet. Display trucks that tour the country have met with great favor in the heavy industrial field. This method of display permits the manufacturer to show large unwieldy items to the trade. The local salesman is responsible for booking the showings of the truck when it is in his territory. The truck carries a display of actual merchandise, and demonstration and testing devices to be used on the spot, as well as suitable sales literature. Weather permitting, the truck is shown at the doorstep of the customer. In winter the display is placed on view in a warehouse or garage and the client is invited to visit by appointment.

Point of Sale. These materials vary according to the product and the manner in which it is sold. Less point-of-sale material is used in the industrial than in the consumer field. Point-of-sale material should do more than merely remind the customer of the product. Give him some factual data as well. When possible, show the actual item for sale. Display boards, counter demonstration displays, illuminated signs, and exploded or cutaway displays are only a few suggestions for industrial point-of-sale items.

Novelties, Souvenirs, and Premiums. These are generally classified as point-of-sale material and are used moderately in industrial promotion. Many manufacturers have used their own products or clever facsimile reproductions of their products in the form of ashtrays, desk sets, cigarette lighters, pencils, knives, tie clips, etc. There are several outstanding organizations specializing in creating novelties, who will assist the promotion department in designing clever and useful items.

Dealer Identification. Identify your line of products at the point of sale. There are numerous ways to let the buyer know your line of merchandise is on sale in a particular establishment. Window

signs, valances, stickers, decalcomanias, neon signs, cutouts, and trade-mark identifications are but a few of the ways to tell this product-identification story. Analyze your particular point-of-sale problem, go out and visit a representative group of these outlets, and talk with the counter-men and the salesmen in order to obtain



Figure 11-2: Display case for dealers, which sets forth the sales facts on Burndy connectors and makes an attractive display.

a proper evaluation of this medium with reference to the outlet. Design dealer identification as yours and yours alone. Salesmen generally install or arrange for the installation of such dealer identification material and they welcome this type of sales promotion material for it adds to their company prestige. It is, incidentally, a good excuse for making an extra call. Two types of identification are suggested. One type of display should incorporate the dealer's name, making it more expensive but also more desirable for the stronger account. The other type bears no special imprint and is thus less expensive and used more frequently.

Other Sales Tools. Keeping the sales force up to date is important. Two ways of doing this are explained here.

Current Advertising and Promotion. Duplicate copies of all current trade paper advertising, as well as complete explanation of all

WHAT'S NEW!

I. NEW DEVELOPMENTS

- A. NEW HYTOOLS: Two new Hytools have recently been developed and are sufficiently advanced in production so that delivery of these production pieces can be expected within the next month or so.

The first of these two Hytools is the MD-2 Hytool which is used for installing copper Hysplices on No. 8 through No. 2 solid or stranded cable. This Hytool is a lightweight, compact, bolt outter type of crimping tool. The large range of cable sizes accommodated is made possible by use of reversible jaws so that four crimping grooves can be accommodated in a space generally occupied by two crimping grooves. Investigation as to the extent that this general type of Hytool can be utilized for crimping other types of connectors has indicated that this new Hytool, with no modification or very slight modification, can be used for installing full-tension Hysplices on solid or stranded aluminum cable, for installing YPQ ferrules and for installing copperweld-copper Hysplices. At present, we are investigating the possible usage of this tool for installing full-tension ACSR Hysplices and copperweld Hysplices.

The second Hytool, which is now in production and will be ready in the very near future, is the MY4C Hytool which is a lightweight hand Hytool using a cam action to achieve the mechanical advantage necessary to indent the connectors accommodated. In order to reduce the cost and increase the ease of assembly, the crimping jaws are being made as precision castings thereby eliminating much of the costly operations for this type of work. This tool can accommodate both commercial and aircraft cable sizes 4, 6 and 8.

A new feature of this Hytool is the method of holding the Hylug. The jaw is spring-loaded so that a terminal can be held firmly in the nest groove thereby leaving both hands free to operate the Hytool.

Figure 11-3: First page of a bulletin sent to dealers and salesmen to acquaint them with company developments.

sales promotion materials, should be sent to the field in advance so that your own salesmen will know and understand your advertising and promotion activities. Sell your own organization first, get them behind your "more business" programs. It is a good idea to include

regional office personnel in the distribution of this type of material. Reprints of current advertising should always be sent into the field



APRIL 1946

NEW HYDENT CONNECTORS FOR COAXIAL AND SHIELDED CABLE

Specially designed Burndy connectors utilizing the Hydent (indent) principle, now permit the making of connections in coaxial cable or the grounding of shielded cable without the use of solder or application of heat. Thus, these low-cost, easy-to-use connectors eliminate the possibility of damage to the insulation.

The Hytools used for installing them provide uniform, permanent connections that meet the requirements of high frequency operation throughout their service. The high pressure contact achieved between connector and conductor assures stable electrical and strong mechanical characteristics, excellent resistance to vibration and corrosion, high corona breakdown voltage, satisfactory standing wave ratios and impedance measurements.

TAPPING . . . Connectors used for tapping the shield of coaxial cables consist of two ferrules, the smaller of which is inserted between the inner insulation and outer braid. The larger ferrule is then fitted over the outer braid and tap conductor. The smaller ferrule prevents pressure from being exerted on the inner insulation when the assembly is crimped in special interlocking dies. This feature is particularly important when the insulation is of the type that flows when subjected to external pressure.

SPLICING . . . Coaxial cables are joined end to end by a splice consisting of two inner ferrules, over which a longer tubular connector is crimped. Here again, the inner ferrules function to absorb the crimping pressure.

TERMINATING . . . To terminate coaxial cable, a Hytag with a closed insulation shroud is indented to the inner conductor and the shroud is compressed over the insulation. This provides a moisture and corrosion-free connection.



SHIELDED CABLE . . . For shielded cable, a one-piece connector is used to tap directly on the shield or to prevent the end of the braid from slipping or fraying.

THE HYDENT PRINCIPLE . . . The longitudinal indent method employed for installing Hydent (one-piece) connectors actually compresses the connector and conductor into a virtually solid mass under a high pressure which is maintained throughout the most severe operating conditions. Hydent connectors are made of one-piece, pure copper construction. Intermediate contact surfaces are thus eliminated — current is conducted through the entire cross-section of the connector.



Cross-section of a Hydent connector
indented into stranded cable

PERFORMANCE CHARACTERISTICS

- Hydent connectors conduct current with a lower temperature than the conductors they join.
- Relative conductivity, as compared with

an equal length of conductor, is at least 100%, before and after severe vibration and accelerated corrosion tests

- A Hydent connection will hold a tension approximately equal to the full breaking strength of the conductor.

Figure 11-4: Front page of a house organ, dealing with technical discussions of new products, sent to salesmen and dealers.

in advance. They are inexpensive and your salesmen can use them in selling the company to his jobbers and wholesalers. It is often better to distribute this material in portfolio form, on a seasonal

basis, rather than have it trickle to the sales representatives in the field. Proper timing is, however, the main consideration.

House Organs for Salesmen. These publications should be used as an exchange of news and views among sales personnel regarding sales problems. The house organ should be used as the mouthpiece of the sales promotion and advertising departments. Current promotions, contest information, sales standings, new catalogues, new products, and promotion materials should share the columns of such a publication. If a strong house organ is maintained on a regular schedule, many miscellaneous, time-consuming bulletins and messages to the field may be consolidated and placed in this medium for the salesman. Men in the field appreciate this type of service because the information of interest to them is always available in one type of communication. Give the salesmen a binder in which to keep their house organs for ready reference.

SALES PROMOTION SERVES THE ADVERTISING DEPARTMENT

The advertising and sales promotion departments must work as a team, for the work of the two groups is closely related.

A chief function is to keep the advertising department informed of all field activities and to consult with them so as to insist constantly that more *sell* and *promotion* be placed in the advertising appearing in trade publications and in the company direct-mail activity.

The promotion department should keep the advertising group and the agency connection informed at all times of all new products or new applications of established products and unusual installations in the field. It should also attend all creative conferences.

The promotion man depends upon the advertising records, such as inquiries and advertising-result information that would be of value in producing more sales or that could be used for market study. The advertising department designs and executes sales training manuals and sales presentations that have been outlined and specified by the promotion group.

The advertising group looks to sales promotion for merchandising ideas that may be used in publication, direct-mail, and other promotion helps; for the promotion man is charged with the responsibility of interpreting conditions as he finds them on the outside.

Employee training manuals, house organs and various employee relation activities, such as sports and parties, are jointly planned by the advertising and promotion departments for the personnel section.

The coordination of all direct-mail activities for sales and advertising to jobbers, wholesalers, or trade lists is a responsibility of the promotion department.

In general, management looks to the sales promotion department as a coordinating agent for the sales, advertising, sales promotion, and production departments. An aggressive promotion man will cover the entire company activity and, by doing so, will be in an excellent position to schedule these business-producing activities.

SALES PROMOTION WORKS FOR THE JOBBER AND WHOLESALER

Industrial products are sold principally through wholesalers and jobbers who, in turn, sell to the trade. As the product is sold through this chain, so must the advertising, promotion, and merchandising aids be sold. Every jobber and wholesaler salesman should be able to become a manufacturer's salesman if he has been educated to use the material furnished him by the manufacturer.

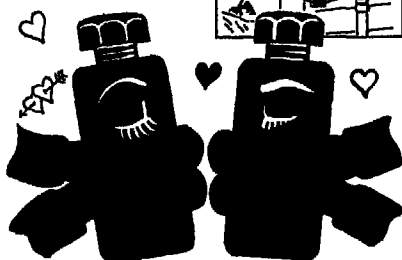
The sales promotion manager's number-one job is to sell this group of men on the company, its products, and its services. Use your presentations to give this jobber-wholesaler group the over-all picture of your advertising, sales promotion, and merchandising programs. Let them see the material you will furnish to help them do a better selling job on your products. The company and product presentations, which we have discussed previously, will more than pay for themselves if they sell these professional salesmen. With the use of such a presentation the salesman can better understand just how he fits into your whole organizational structure.

The jobber and the wholesaler operations must be educated and sold, just as you have sold the company man on your own payroll. These men are valuable to your organization only if they know your product and how to sell it.

Additional sales promotion services that the manufacturer should make available to the jobbers and wholesalers include: participation in jobber or wholesaler catalogues, preparation and installation of showroom displays and demonstration materials, cooperation in their trade and association displays and exhibits. The manufacturer should also prepare a house organ directing it to jobber and whole-

salers customers, using his lists for distribution; pass on leads as a result of advertising and publicity inquiries which originate in his protected sales area; plan and hold job training meetings; join his salesmen for missionary field work; prepare mail and counter stuffers, pamphlets, and technical printed matter for distribution to his customers; prepare presentations for the jobber-wholesaler salesman to use in selling his products to the trade; furnish samples, counter

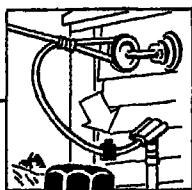
**Love that
service...**



BURNDY CONNECTORS

27

In Stock



Burndy Buttins really do!

Just natural for connections between service drop wires and house entrance leads. A few turns on the screw forces wires into intimate contact. Use just a wrench or pliers. Tapes smoothly too.

Supplied for aluminum, and copper to aluminum connection.



Figure 11-5: Postcard sent to wholesalers which in turn can be sent to customers and prospects.

catalogues, cut and mat service, window and interior display materials, demonstration displays, and price lists.

REVIEW OF SALES PROMOTION RESPONSIBILITIES

Now you have been exposed to a partial list of duties which are normally delegated to the sales promotion department. It is obvious that all these activities must constitute a well-thought-out and planned service program for the company and its jobbers and wholesalers. Sales promotion must be a hard-working, flexible, order-producing operation, geared to continually produce new ideas, new approaches, and new services based on experience and accepted practices.

Every industrial organization has problems which it considers unique; however, all or a portion of the basic duties that have been

outlined here may be effectively applied in answering such problems.

Sales, sales promotion, advertising, and production must work as a well-trained team, playing with and not against your selling outlets. If the jobber and wholesaler salesmen have been well educated as a part of your sales team—you will surely win more and more sales.

For the Parent Company

House organs, employee, sales department and trade.
Preparation of samples.
Assist in the preparation of sales letters.
Coordinate direct-mail activities.
Prepare presentations for all markets.
Assist with displays, expositions, demonstrations.
Coordinate traveling displays.
Maintain office, administrative, and budget work.
Control sales promotion supplies.
Prepare and maintain all direct-mail lists.
Coordinate sales and sales promotion activities.
Do experimental sales work.
Assist with market research and analysis.
Assist with sales and personnel training programs.
Follow-up work with dealers.
Daily correspondence.
Maintain check on sales records.
Check on advertising inquiries.
Prepare miscellaneous sales aids.
Prepare and route demonstration and sample displays.
Maintain exhibits, trade, and association shows.
Make sales analysis studies for all markets.
Assist in all dealer relations.
Plan sales contests.
Arrange educational displays for schools and colleges.
Prepare movies and photographic stills.
Do missionary work with wholesalers and jobbers.
Study competition.
Participate in trade and association activities.
Make label and packaging suggestions.
Maintain catalogue and catalogue data-sheet work.
Assist in preparation of instruction sheets.
Encourage dealer catalogue activities.
Schedule displays.
Maintain institutional publicity.
Maintain historical files.
Prepare salesmen's catalogues and special presentations.

Promotion Department

For the Jobber and Wholesaler

- Plan and schedule direct-mail activities.
- Assist in mail-list preparation.
- Prepare pamphlets and folders.
- Prepare counter give-away material.
- Assist with sales letters.
- Make presentations to the trade.
- Prepare showroom displays.
- Schedule display truck.
- Install dealer identification materials.
- House organ to jobber and wholesaler field.
- Samples.
- Assist with sales training programs.
- Handle dealer inquiries.
- Prepare visual sales aids.
- Create demonstration displays.
- Attend trade shows and exhibits.
- Make sales analysis.
- Plan and conduct sales contests.
- Missionary work with salesmen.
- Assist in customer relations.
- Assist in advertising and promotion budgets.
- Assist in market surveys.
- Furnish information regarding competition.
- Assist in dealer catalogue work.
- Plan display and sampling programs.
- Assist with news releases and dealer publicity.
- Attend dealer meetings.

Chapter 12: TRADE SHOWS AND EXHIBITS

by Sidney R. Wasserman

VICE PRESIDENT AND
SALES PROMOTION MANAGER,
MAC MULLEN ASSOCIATES, INC.

A trade show is a meeting place for sellers and buyers of goods and services. It is a valid adjunct to existing sales and promotion activities.

For manufacturers without national sales organizations or national advertising the trade show offers opportunity to show goods to a select, interested group of prospects.

What do trade shows do?

1. They bring together, at a place where products are shown to best advantage, prospective customers, sales executives, and key merchandising personnel. Thus they expand the personal basis of sales beyond customer-salesman relationships so that they include executives and senior management.

2. At the trade show the producer meets the challenge of competing producers. This challenge is met on a *see-feel-touch* comparison basis. In this way the trade show stimulates product display and enhances merchandising improvement.

3. The trade show is good for the whole industry involved, and for each element in it. Through the trade show the public, press, and radio get a picture of the aims, progress, and competitive factors of the industry (see Fig. 12-1).

In the last 10 years, trade shows, industrial exhibits, conventions, and special meetings have become a rewarding form of advertising media. The shows are sponsored and promoted by trade associations

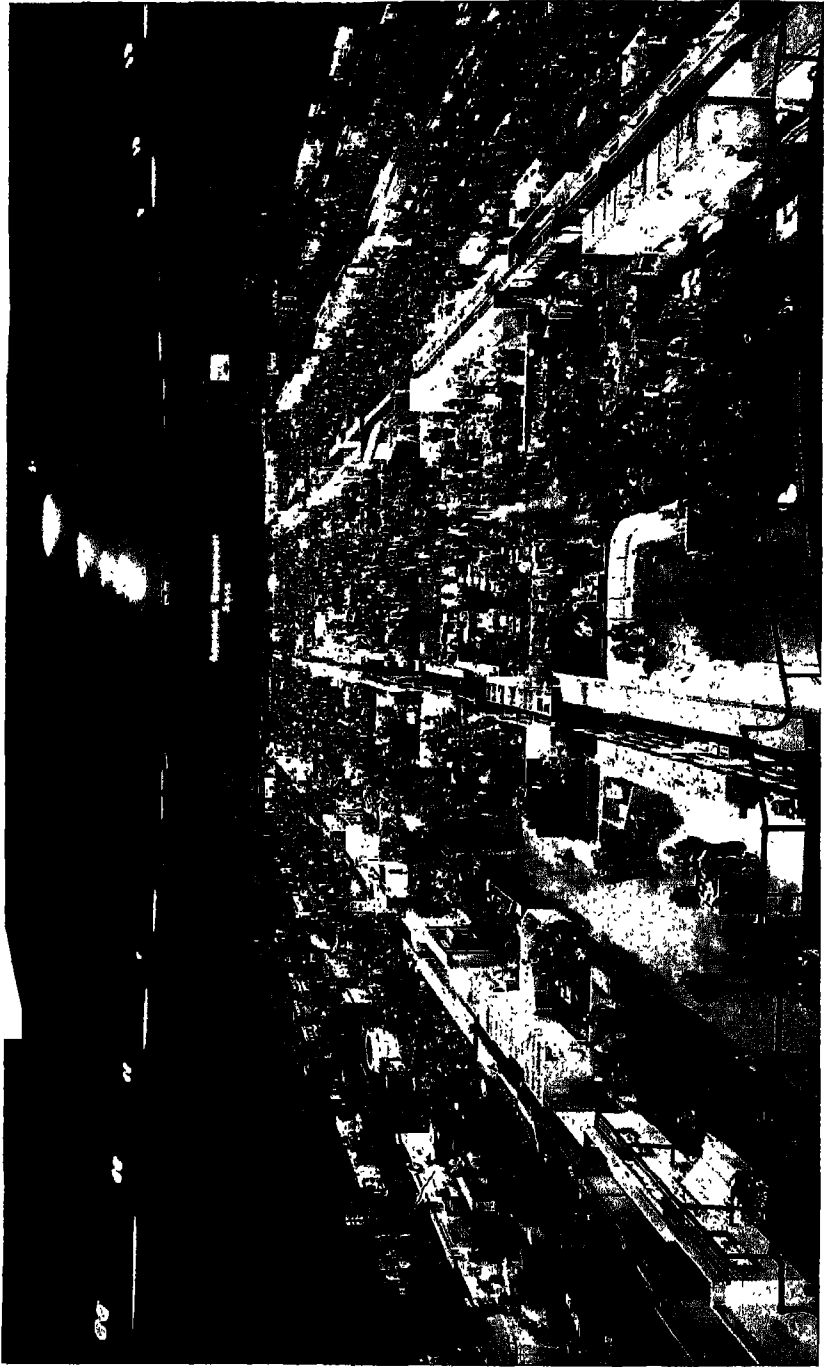


Figure 12-1

and individuals as a private enterprise. The needs of the trade are the chief motive for their existence.

The promoters of a show rent a suitable meeting place and set a date far enough in advance to allow time for advertising, publicity, planning of programs, and sale of space to participants in the show. The exhibit areas are broken into various-sized spaces called booths, which are identified by numbers. The cost of each booth is determined by its size and location.

An important feature of almost every meeting are the trade clinics. The clinics consist of forums and lectures dealing with the problems, solutions, and discoveries of the industry, and hold worth-while information for everyone connected with the field.

The management of the show also engages a contractor, called the official decorator, for the general decoration of the hall and for providing rented furnishings. Services of carpenters, laborers, sign painters, porters, electricians, and others are also made available to exhibitors. In addition, some managements help with hotel accommodations.

Every year, hundreds of millions of dollars are spent in connection with these shows. Much of this money is spent for entertainment and personal expenses. However, this vast expenditure can be traced directly to the trade show. It would be difficult to estimate what return was realized on this investment.

Other advertising media have been fully explored and the data and knowledge made available to the advertisers. Budgets are planned and channeled to produce the greatest effect and give the largest returns. Notwithstanding the immense effort expended to promote a trade show, the fact remains that there is amazingly little known about its operation or costs. Businessmen, advertising consultants, and sales managers have been known to spend large sums in these ways without adequate knowledge of their application. Often they have committed themselves without foreseeing the meaning of their obligations or the full extent of the expenditures involved; they have attended few meetings, presented messages haphazardly, and as a result have realized poor returns on their investments.

The simplest way to get an over-all picture of the media is to consider oneself an employee of the ABC Company.

The first problem to be faced is to find what trade shows and industrial expositions are being planned.

Where can this information be obtained?

There are several sources: trade papers, trade magazines, and the daily newspapers. These are limited to announcing shows as they come up on the calendar and deal only with their particular trade.

There are organizations specifically created whose function is to provide a complete information service. Information is acquired by communicating with two such organizations: The Exhibitors Advisory Council, in New York, and *Sales Meetings*, a magazine in Philadelphia, formerly known as *Convention and Trade Shows*. These two provide lists of all shows being planned, giving show dates, locations, and the addresses of show secretaries. The lists are simplified by being made up chronologically, alphabetically, and by trades and industries.

A study of these lists should be made and from them a list comprising those shows in which our firm has a logical interest. Show secretaries should be asked for detailed information.

The data received are carefully checked for:

1. Total attendance at the show in the previous year.
2. Who made up this audience attendance (obtained from classification charts). Most shows chart their attendance in three categories from information gathered from registration cards. These charts indicate (1) industry and geography, that is, line of work and home city of every person attending; (2) occupation and geography, which means job title plus home city; and (3) occupation and industry. One of these charts, Geography by Industry, is shown in Fig. 12-2.
3. What other firms exhibited.

With this information it is possible to compare the relative values (to us) of each show. In this manner, the boiling down and eliminating are continued to a final choice. Participation is now governed by the cost, location, and date of each meeting.

Budgeting. Budget governs choice and number of shows selected. It is difficult for anyone inexperienced in this medium to arrive at a budget. There are many unforeseen expenditures, and costs may vary with conditions (*e.g.*, strikes, holidays, transportation delays, emergency repairs). However, the major and basic costs can be estimated fairly accurately. The best way is by making up a cost

1. GEOGRAPHY BY INDUSTRY

	Electrical (1)	Mfrs. Representatives	Engineering-Cons.	Institutional	Public Utilities	Transportation	Automotive (2)	Machinery (3)	Misc. Services	Government	Hardware (4)	Chemicals (5)	Consumer Items (6)	Printing (7)	Basic Materials (8)	Food (9)	Miscellaneous Mfg.	TOTAL
CLEVELAND & VICINITY	304	95	142	247	114	62	380	347	37	38	317	365	47	93	661	93	130	3,472
OHIO	94	64	15	71	44	14	53	154	5	9	127	147	60	9	474	35	45	1,420
PENNSYLVANIA	55	16	6	7	9	4	11	21	2	-	19	46	31	2	118	13	11	371
NEW YORK	24	3	6	7	5	-	8	39	5	2	12	31	32	24	34	16	17	265
MICHIGAN	9	5	3	4	7	1	58	19	3	1	20	38	9	2	58	15	11	263
ILLINOIS	14	2	1	3	2	1	3	43	6	1	12	28	2	10	25	19	5	177
INDIANA	7	9	-	-	1	-	21	22	-	-	10	19	8	-	26	13	15	151
NEW JERSEY	9	-	1	1	-	-	7	8	-	-	6	28	9	-	15	2	9	95
MASSACHUSETTS	11	-	-	4	-	-	3	7	-	1	8	12	9	-	11	4	4	74
WISCONSIN	2	2	1	1	-	-	4	22	2	-	4	2	1	-	12	12	7	72
CONNECTICUT	7	-	-	-	-	-	2	10	3	-	17	1	7	-	8	-	1	56
MISSOURI	8	-	-	-	-	-	2	7	-	-	3	9	3	-	3	6	1	42
MINNESOTA	-	-	-	-	-	-	2	7	-	-	5	-	1	-	7	14	-	36
WEST VIRGINIA	2	-	-	-	-	-	-	-	-	-	1	16	7	-	5	-	2	33
TENNESSEE	1	1	-	1	-	-	-	-	-	3	2	14	1	-	2	-	-	25
IOWA	-	-	-	-	-	-	2	5	-	-	-	2	-	-	1	11	2	23
KENTUCKY	-	-	-	1	-	-	-	1	-	-	4	1	-	1	5	9	1	23
MARYLAND	-	-	-	-	-	-	-	-	1	-	5	3	3	-	4	3	-	19
OTHER STATES	5	2	1	3	-	3	4	12	1	23	9	35	24	1	23	7	4	157
FOREIGN	10	2	4	1	-	1	17	9	1	-	1	15	3	-	20	-	4	88
TOTAL	562	201	180	351	182	86	577	734	65	83	580	812	254	142	1,512	272	259	6,862

Figure 12-2

Where can this information be obtained?

There are several sources: trade papers, trade magazines, and the daily newspapers. These are limited to announcing shows as they come up on the calendar and deal only with their particular trade.

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Budgeting. Budget governs choice and number of shows selected. It is difficult for anyone inexperienced in this medium to arrive at a budget. There are many unforeseen expenditures, and costs may vary with conditions (e.g., strikes, holidays, transportation delays, emergency repairs). However, the major and basic costs can be estimated fairly accurately. The best way is by making up a cost

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WISCONSIN	2	2	1	1	-	-	4	22	2	-	4	2	1	-	12	12	7	72	
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MISSOURI	8	-	-	-	-	-	2	7	-	-	3	9	3	-	3	6	1	42	
MINNESOTA	-	-	-	-	-	-	2	7	-	-	5	-	1	-	7	14	-	36	
WEST VIRGINIA	2	-	-	-	-	-	-	-	-	-	1	16	7	-	5	-	2	33	
TENNESSEE	1	1	-	1	-	-	-	-	-	3	2	14	1	-	2	-	-	25	
IOWA	-	-	-	-	-	-	2	5	-	-	-	2	-	-	1	11	2	23	
KENTUCKY	-	-	-	1	-	-	-	-	1	-	-	4	1	-	1	5	9	1	23
MARYLAND	-	-	-	-	-	-	-	-	1	-	5	3	3	-	-	4	3	-	19
OTHER STATES	5	2	1	3	-	3	4	12	1	23	9	35	24	1	23	7	4	157	
FOREIGN	10	2	4	1	-	1	17	9	1	-	1	15	3	-	20	-	4	88	
TOTAL	562	201	180	351	182	86	577	734	65	83	580	812	254	142	1,512	272	269	6,962	

Figure 12-2

sheet covering one year for participation in three shows. This may be used as a guide and be altered to meet requirements. Typical data are shown in the table that follows:

Costs

Initial design and construction of an itinerant, changeable feature display to be used and amortized in three shows.	
Shipping cases included.....	\$2,000
Insurance coverage of exhibit.....	75
First Show	
Cost of space in show.....	350
Shipping by freight to show.....	45
Installation at show (men hired at show).....	40
Utilities (electrical outlets and current).....	30
Furniture rental, cleaning porter, etc.....	34
Dismantling and packing at end of show.....	44
Shipping from show to storage warehouse.....	45
Storage charge till needed for second show.....	30
Second Show	
Cost of space.....	\$ 235
Shipping to show (truck).....	35
Installation.....	42
Utilities.....	36
Furniture rental.....	39
Dismantling and packing at end of show.....	28
Shipping to warehouse.....	35
Storage till needed for third show.....	31
Third Show	
Cost of space.....	\$ 625
Shipping to show.....	90
Installation.....	40
Utilities (outlets, current, two spotlights' rental).....	67
Furniture rental, rug rental, porter.....	55
Dismantling and packing at end of show.....	37
Shipping back to storage.....	90
Total.....	\$

The cost of representatives to man the exhibit, their expense for transportation, meals, hotels, and entertainment of prospects and customers are charges which can be placed legitimately against the sales department.

In planning participation, the original intent may be to attend only one such meeting during the year. However, it can easily be seen that, once the basic planning is done and the capital outlay for the exhibit is made, at a comparatively small additional outlay

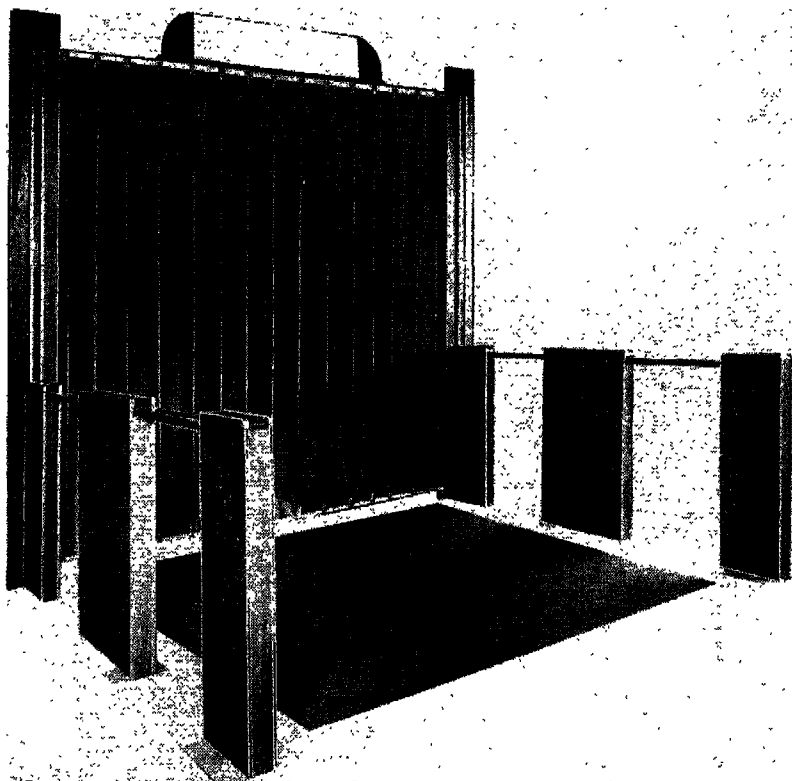


Figure 12-3

one can enter one or more meetings to get wider coverage and at the same time amortize the original investment.

It is not necessarily a "must" to have a custom-built exhibit. In most shows the management will provide, without cost, a standard background and identification name sign (see Fig. 12-3). This background is made of plywood panels on which may be suspended rented drapes furnished by the official decorator. The product material may be mounted on this background, but it must be done so that no damage is done to the drapes or background panels. The identifi-

cation name sign is a painted sign approximately 8 by 40 inches. Other products may be displayed on rented tables which may also be draped. This method is not the most effective, but is often adequate.

Building an Exhibit. Now that a show is selected, the next problem is the technique of exhibiting.



Figure 12-4

The organization of an individual exhibit involves ingenuity, planning, and design. Uppermost must be the knowledge that you are going to meet, publicly, the challenge of competitors. Therefore, it will be necessary to build an exhibit that will attract attention more effectively than those of the other exhibitors.

Thematic integration should get strong emphasis. What is meant by *thematic* integration is this: If your advertising theme is *efficiency* or *low cost*, then efficiency or low cost should be the theme of your exhibit. These factors should be staged in terms that compel attention. This calls for imagination and some degree of artistry. Where

color and motion are used exhibits should be more interesting than their competitors'.

A strong point should be made of whatever contributes to the comfort of the attending public. The separate parts should meet the eye directly and should be easily understood.

Carpets, ash trays, chairs, and other accessories should be used to induce the public to remain at the exhibit and be pleased to do so (see Fig. 12-4).

It would be wise to get experience by attending trade shows. Observation in many cases would show that some are made up like a three-ring circus, with action, lights, and subject matter badly used. The public is attracted, but finds that the product and the message are submerged and secondary. Some exhibits are dull and seem to have no meaning other than to say: "Here I am, made by the Glotz Mfg. Co." Others are undermanned or staffed with representatives who do not have all the answers. Many, however, do a first-rate job of putting their message over and presenting their products favorably.

The materials of which such exhibits are constructed, and how these materials are used, are important. They are too numerous to be completely analyzed, but generally the better exhibits are made of lumber, plywoods, veneers, masonite, plastics, metals, and glass. This type of exhibit is rugged enough to withstand the shipping and handling and generally hold its shape and appearance. Aside from natural wood the best type of finish is lacquer. This can be washed and kept clean.

A careful analysis of many shows gives the following outline of *what* an exhibit must do and *how* it must do it (see Fig. 12-5).

What: 1. Attract attention by

How: a. Lighting and animation.

b. Color.

c. Functional and creative design.

What: 2. Create and sustain interest by

How: a. Pin-pointing the exhibit to the interests of the audience.

b. Demonstrations.

c. Providing information.

What: 3. Tell the story of your product

How: a. With simplicity and clarity.

b. With integrated unity of all elements of the theme.

c. Progressively and completely.

It becomes necessary now to find an exhibit firm to create and design a functional exhibit that will do all the things we have listed.



Figure 12-5

Inquiries at trade shows can give the names of firms who build exhibits that have satisfactorily served their exhibitors and were impressive. By registering for a show an exhibitor is often solicited by display houses by mail and telephone. Before considering any one of these, inquiry should be made as to:

1. Its organization background.
2. Its facilities for design and production.
3. Its workmanship (photos of recent exhibits).

Let us imagine a case history in which we, as an exhibitor, selected three firms to compete for the work of setting up our exhibit.

The representatives were given full information about our company and its general policy, about the products to be promoted, and the people it was desired to reach. They received samples or photos of the products, advertising literature in use, trade-marks and logotypes, and every possible aid for the proper interpretation in a three-dimensional, visual presentation. In each case the sizes of the booth spaces and the budget allowance for the exhibit were specified.

It is the responsibility of the display firm to check the floor plan for the physical layout of the booth. The exhibit must fit around any pillars, columns, piping, and wall offsets that may be in the space planned.

A company may feel that by telling the budget allowance it is left wide open to overcharge. It usually works the other way. The designers don't shoot at the stars and competition between them makes it possible to accept the one that offers most for our money. When one becomes more experienced and thoroughly acquainted with the work and service of a good display house he can dispense with the need for carrying on this competition.

Approximately 10 days later, three very different ideas were placed before us. These were in the form of working drawings and perspective renderings in color. There were also provided specifications and estimated costs.

One must be careful with perspective renderings. To the uninitiated they look terrific. However, they have a tendency to appear much grander than they could possibly be in the limited space the actual exhibit will occupy. One should not be fooled by them. The purpose they serve is to show the general design appearance of the exhibit, the organization and relationship of subject matter, and over-all color scheme. For actual sizes of any given part refer to the working drawings, which should be true-scaled proportion.

To the inexperienced, building an exhibit or display may be likened to buying a suit of clothes. If one does not know the materials and workmanship the wisest course is to deal only with a reputable house.

The specifications should describe in detail:

1. A description of all design shapes.
2. What, how, and where materials are to be used.
3. Amount, type, and location of lighting.

4. Animations—where and how they will work.
5. Color scheme and type of finish to be used.
6. Amount and location of copy, lettering, product mountings, and photo mountings.

Another important thing to watch for is the assurance that insurance underwriters' approvals and union labels are attached to the exhibit. In many meetings nonunion jobs are challenged by the trade unions servicing the hall and are refused admittance.

The specifications should note that the exhibit will be built in sections for easy transportation, installation, and dismantling. This is usually done with the use of wing-nut, bed-hook, and loose-pin construction.

Are shipping cases provided? At additional cost? What kind of cases are they? The cases generally used are made of reinforced plywood. The insides are jugged and padded to hold and protect the various sections of the exhibit.

It is wise to go over each point, demanding explanations until the entire exhibit is covered. This eliminates the possibility of being charged for extras and ensures getting what you are paying for.

When a choice of a display house is made it should be visited for inspection before signing the contract. The display house should submit sketches to the show management for clearance and approval before starting construction.

Make Your Exhibit Work. The planning, design, construction, and manning of your display will determine the ultimate returns from participation. The men you and your staff meet at the exposition control a large share of the influence and buying power of these industries. They are coming to these meetings to see your products or service and to listen to your explanation regarding them. Take advantage of this opportunity by displaying and demonstrating your product or service in such a manner as to give the visitor a chance to learn all about what you have to offer.

Points to Remember. Plan your display well in advance.

Do not consider the show as a necessary evil which will break up your regular business routine. The delegates to the show have gone

to a lot of trouble and expense to see your display and, if they like what they see, they are your best prospects.

A first-hand reaction can be had which can be utilized in planning a merchandising campaign.

Have plenty of literature, brochures, and printed matter on hand.

Manning Your Space. Place a responsible person in charge of the arrangement and conduct of your exhibit. Give him full authority over all members of your organization in attendance at your booth. Have him arrange a schedule of hours for each attendant and see that the schedule is adhered to. Visitors will stop more readily at a booth where they are pleasantly greeted. Don't keep men on the job too long without relief. If they are weary they will not have a pleasant effect on visitors.

Before the opening of each session have someone see that everything in the booth is in proper shape.

Have representatives inform themselves of other features in the show, so that they may talk intelligently about them.

Provide a regular prospect report form to be turned in for every interview. Many of these forms may be converted into sales.

Send reports in to the home office for follow-up in the field.

The value of each show attended is determined by the results attained. These results may be indicated by the response to order forms filled at the show, requests for catalogues, and analysis of the general inquiries and contacts made.

Your continued success in the exhibit field depends on you. Be creative, be direct, be adaptable, and, above all, use everyday common sense.

Chapter 13: TESTING INDUSTRIAL ADVERTISING

by Dr. Howard D. Hadley

TECHNICAL DIRECTOR,
DANIEL STARCH AND STAFF

It is essential that each industrial advertiser measure the efficiency of his advertising. Advertising, as a service, is creative and not a product to be bought and sold to the highest bidder. The range of advertising "efficiency" can be very great. Some advertisers get the most from their advertising dollar, while others, usually operating in the dark, waste many dollars. One of the deterrents to good advertising is that all advertising is helpful. It is not a question of being helpful, but a matter of *how much more* helpful it can be. Many advertisers, not realizing this, are content with low advertising budgets or with campaigns which yield results that could be greatly increased.

OBJECTIVES OF INDUSTRIAL ADVERTISERS

Roughly speaking, there are three general types of persons who can be reached by an advertiser. The method used to reach each group, and the message presented to each, may vary rather sharply. Just as these, the advertiser's objectives, vary, so should the method of testing advertising vary.

Those Who Do Not Use the Product at Present, but Realize Possible Future Need. Here is where advertising assumes a long-term mission. This group represents potential rather than actual prospects. Their interest in the product will be quite low and casual. In this case an advertiser should get across the identification of the name of his company and products. This calls for rather frequent insertions,

and/or large-size advertisements, and color. Actually, little else can be left with these persons since they have a low interest in the product and few will read the complete sales message.

Those Who Use the Product at Present and Realize Need for Future Replacement or Expansion. In this group an advertiser has an enthusiastic audience. Interest in his type of product is high, for this audience uses his product or one of his competitors'. The strategy here is to build up both identification and acceptance of the product or company. Again, this is a long-range program. However, it is a less expensive proposition to reach these prospects, because of the size of the group and the extent of their reading interest.

Identification is probably high, so that the advertiser can usually spend his advertising dollar most profitably by promoting acceptance for his product. Therefore, general advantages of his product (acceptance) are his best advertising messages.

Those Who Plan Immediate Purchase. This group represents the best prospects and also the group which is least likely to be yours exclusively. Competing trade-paper advertising, salesmen, and direct mail are bombarding them. Although this is the group that pays off quickest, a new or erratic advertiser is at a disadvantage since he lacks the build-up described in the two foregoing categories.

It is fundamental that advertising to this group should be "hard sell" and should use competitive copy. It is too late to build up identification and acceptance. At this point your company either is or is not under consideration. If your company is one of those considered, the reader of your advertising wants to know as much about your product as possible: cost, quality, operation, efficiency, points of variance from competition, etc. He also wants to know where and how to buy the product, how best to get more information, and how to contact a salesman. The more specific the information in the advertising, the better the chance the advertiser has to make a sale.

TESTING METHOD MUST MATCH OBJECTIVES

An advertiser must test his advertisements for the effect he is trying to obtain. For the purpose of example, each of the three general groups will be considered separately, although usually the

advertiser wants to cover all three of the "prospect" groups with varying degrees of intensity.

Every advertisement has at least two dimensions. One dimension is popularity; the other is strength. Popularity is the ability of an advertisement to attract an audience to see and read it. Strength is the ability of an advertisement to influence those who see and read it.

Readership, generally speaking, is a measure of the popularity of an advertisement. It measures the number of people who were stopped by an advertisement. Coupon returns or inquiries, generally speaking, are a measure of strength, for since some persons were motivated to mail in a coupon it is very probable that they were also motivated towards the product.

The balance of these two dimensions (popularity and strength) in an advertisement or campaign is very dependent upon the objectives of the advertiser and the group of persons he is trying to reach. Although readership and coupon returns are the most available measures of an advertisement's effectiveness, it must be kept in mind that they are not the only ones.

Those Who Have Possible Future Need. As mentioned before, identification of the name is the primary message the advertiser can hope to get across. If an advertiser is trying to reach this group, he should evaluate his advertisements by means of readership. Readership measurements will show him how many persons are seeing his name and product. By comparing various copy techniques, an advertiser should be able to increase and predict the number of persons exposed to his message.

One of the least expensive methods of measuring the success of his combined advertising efforts in promoting name identification is to conduct a mail survey of members of organizations or associations that are closely related to his product field. If the product is chemical in nature, a survey may be made among members of a chemical society. If the product is a metal, then a metallurgical or an engineering association may be used. This will not be a "pure" test for identification, since an advertiser's prospects probably will not be entirely represented by the sampled organization. However, it should indicate relative trends when repeated.

Such a method is useful for long-term testing. However, often an advertiser needs to know which of two advertisements, or styles, is better in promoting identification before they are inserted in publications. Here the consumer jury can be used. Each of two different "juries" is shown one or the other of the advertisements along with other advertisements by competitors. The advertisements are rapidly shown to each group. At the conclusion of the "showing," each person is asked to list the names of the advertisers. If one of the test advertisements is more effective in bringing about identification, it will turn up in this test. By using identical competitor advertisements for each group, it is possible to equate or match the two groups for knowledge of brand names. Therefore, any difference for the test advertisements should be due to the contents of the advertisements and not to jury differences. Before conducting such a test, be prepared for small differences. The reason is that there are usually small differences in identification "value" for most advertisements. By permitting the person to read each advertisement, and by conducting an "examination" over the copy points, an advertiser can further test for the depth of penetration of each advertisement.

Two groups of 50 each should give indicative results. However, the larger each group is, the more reliable the test.

All of this may sound expensive and fussy. However, it can be done easily as part of a planned program of advertising research. It is "fussiness" of this sort that spells the difference between a mediocre advertising campaign and an excellent one. Good advertising does not come easily.

Those Who Have a Need for Future Replacement or Expansion. As mentioned above, acceptance of the company or product is the important consideration with this group. The advertiser's problem is to influence the members of this group.

Measuring this acceptance or influence is another matter. Some programs for general consumer advertisers do this for individual advertising campaigns. Since there is none for industrial advertisers, they must go mostly by trial and error or experience.

A suggested method of measuring long-term acceptance is to conduct periodic personal interviews asking comparisons between various manufacturers. If acceptance for his product gains over a year's period among both users and potential users of his product,

it indicates that the advertiser's campaign has been successful. Probably a combination of readership and coupon returns represents the best measure of an advertisement's effectiveness with this group. Since this is an in-between group, neither of the measures will do a complete job of evaluation.

Those Who Plan Immediate Purchase. This group represents only a very small fraction of a magazine's audience. However, it can be the most profitable for an advertiser to reach. The object of the advertiser is usually to place as much *specific* information in the hands of the "unknown" prospect as possible.

Thus, a coupon clipped and mailed in identifies this prospect for more intense sales effort. If an advertiser confines himself to this group, inquiries constitute one of the best measures of the success of his advertising. This is the one test which has been used most by industrial advertisers. It is easily executed, meaningful to sales manager, and serves a dual purpose: supplies names of prospects and gives the advertiser one measure of an advertisement's ability to stimulate sales.

Some of the cautions one must observe:

1. Returns may vary greatly from one month to the next. Avoid making a major advertising decision on the basis of only one month's return.

2. The number who send in the coupon represent only a small fraction of those who see and read your advertising. It should be used as a measure when the advertiser is trying to reach immediate prospects, not all possible prospects.

3. There may be large differences between the return for various magazines. An evaluation of a magazine as a conveyor of your advertising must include factors other than coupon return.

4. Some advertisements are designed to give a coupon return while others are not. The latter advertisement may still be doing a good job but in a different way.

5. The coupon return from the initial advertisement is usually higher than for subsequent advertisements.

6. Coupon returns are affected by a multitude of factors which are independent of the advertising. These may be "budget time," expansion, weather, timeliness, and economic conditions.

7. With all these cautions, coupon return remains as one way to feel the response of immediate prospects to your advertising. An advertiser should not attempt to use it as the sole measure under all conditions.

READERSHIP MEASUREMENTS

In recent years, a different type of measurement has been available. It is the percentage of those who saw and read each advertisement.

Just as there are different levels of impressions, so are there levels of reading. Some persons are intensely interested in the advertisement and product, and so read every word. Others have a less enthusiastic interest and scan the advertisement, quickly picking out the important sales message. A third group is only momentarily attracted to the advertisement, but is left with enough of an impression that they are able to state later that they had "seen" it.

In an attempt to match the levels of impression with measures of reading, three readership levels have been used. They are briefly described below:

1. *Noted.* The percentage who state that they had seen at least one part of the advertisement.

2. *Seen-Associated.* The percentage who state they had seen or read the part of the advertisement containing the picture or name of the product or advertiser.

3. *Read Most.* The percentage who state they had read copy that amounted to 50 per cent or more of the number of words in the advertisement.

An interviewer first determines whether the reader has read the particular issue of the magazine. Then he leafs through the magazine page by page, having the respondent point out what he recognizes as having read before. When the reader indicates he has seen an advertisement, the interviewer then has him point out what in particular he saw and read in the advertisement. Thus, when the respondent objectively points out his preferences by his previous reading actions, he is casting a vote for or against your advertising.

To a certain extent, readership can measure the effectiveness of your appeals or sales message. If one appeal is better read than another, it indicates that the reader's mind and eye were more

receptive to this treatment than the other. However, as was pointed out, there are three levels of reading and one treatment may rate high with your audience for one level and mediocre for another level.

If an advertiser has reason to believe that the strength of the appeals in a series of advertisements are equal, then readership is a valid measure of the effectiveness of each insertion or campaign. Also, if an advertiser wants to carry each of his appeals to the maximum audience, readership is again a valid measure. As mentioned above, only under limiting circumstances can readership measure the strength of appeals.

The following paragraphs will define the readership levels in terms of *what* they measure.

Attention: Noted Readership. Attention or attraction can be broken down into two types:

1. *Primary Attention.* This is involuntary, spontaneous, or automatic.
2. *Secondary Attention.* This is active or voluntary.

Noted readership is a measure of the ability of your advertisement to attract attention. However, a high "Noted" percentage must be interpreted according to the kind of attention which created it. *Primary attention* is obtained by use of large-size advertisements, color, uniqueness, and directional lines. *Secondary attention* is created by having factors of interest in the advertisement. Such interest factors may be related to the product. When they are related to the product, your over-all advertisement reading audience may be reduced in size because of the restriction to a particular interest or product. When the factors are unrelated to your product, the size of your audience, or the level of "Noted" readership, will vary according to the popularity of the chosen interest factors.

A baseball (sports) situation in the illustration would normally receive high noting, while politics would attract considerably fewer. The reason for this is that three times more men are interested in sports than in politics.

Therefore, when appraising a "Noted" percentage created by an advertisement, an advertiser must ask himself these questions:

1. Was it due to primary or secondary attention factors?
2. If primary, what use of size, color, and directional lines (mechanical factors) played the major part in creating the reading?
3. If secondary, were the main items of interest related to the product or not?
4. If they were unrelated, were they of wide or limited interest?

A last question is: "Are these readers the ones I want to attract?" The answer depends largely upon the advertiser's objectives, or what he is trying to do.

Name Identification: Seen-Associated. As mentioned before, most advertisements are equally effective in getting across the name of the product or company. However, a quick and easy check can be obtained by comparing the "Noted" percentage with the *Seen-Associated* percentage. Ordinarily, the "Seen-Associated" percentage is 1 to 5 per cent points lower. When lower than this, an advertiser is attracting an audience, but promiscuously losing name impression on some.

Reader Interest: Read Most. Those who *read most* of your sales message represent your most interested, loyal, enthusiastic group. These are the people who realize a present need for your product (the last two prospect groups). They are most likely to be those persons who were attracted by secondary factors of attention which were related to your product.

If a product-unrelated appeal of wide interest is used to attract attention, and if the text follows along the same thought, the "Read Most" percentage will be high. If the appeal is not of wide interest, "Read Most" will be low. If the appeal is product-related, the "Read Most" percentage will increase as the "Noted" percentage increases. As the number of people attracted decreases, the "Read Most" percentage will decrease.

All other things being equal:

1. "Read Most" will increase as the number of words decreases.
2. "Read Most" will vary with the importance put on the copy.

Some advertisements tell a complete story in the headline and illustration. As a result, "Read Most" is often low. Other advertisements

almost require the reader to go to the text for "understanding" of the advertisement. In this case, "Read Most" will be high.

READERSHIP FINDINGS

A huge mass of helpful information has come out of the readership surveys. Some of the generalized findings are listed in the paragraphs that follow.

Selectivity of Appeals. The readers of a magazine have widely scattered interests and job responsibilities. It is possible for an advertiser to reach a cross section of this audience, or to reach a selected group within it. It is similar to taking from a high building a picture of a person on the ground, or to taking one from a few feet away. From a high building the photographer (advertiser) will include many people, and the one person will be a small fraction of the total picture. The close-up shot will show only the one person, but in great detail.

It is the same way with advertising. Some advertisers reach a lot of people lightly through magazine advertising and then follow up by direct mail or salesmen's calls. Other advertisers reach a few persons through magazine advertising, but do an intensive job on each. As pointed out before, the first advertiser is reaching more persons whose needs are in the future, and so he needs a continuing advertising campaign to build up acceptance until these people are ready to buy. The other advertiser is reaching the immediate prospect group, and so he can accomplish a great deal by a concentrated advertising campaign in sharp focus.

Selectivity or nonselectivity can be obtained by use of specific techniques.

Nonselectivity. Refer back to the paragraph on "Attention: Noted Readership." An advertiser who does not dominate the market can reach the largest number of people (a cross section) by using primary factors of attention and secondary factors of attention that are not related to his product. Therefore, he should employ:

- | | |
|------------------------------|-----------|
| 1. Large-size advertisements | } Primary |
| 2. Color | |
| 3. Uniqueness, novelty | |
| 4. Directional lines | |

5. Items of general interest (examples):

- a. Sports—of major interest to about 60 per cent of the men.
- b. Business and finance—of major interest to about 40 per cent of the men.
- c. Movies, radio, and entertainment—of major interest to about 30 per cent of the men.
- d. Major industrial interests of readers of various media. For example, some of the interests for one industrial magazine include: conveyors, 60 per cent; cutting tools, 38 per cent; lubricants, 40 per cent; metal fasteners, 37 per cent; electrical equipment, 58 per cent.

Secondary
product—
unrelated

Examples of number 5 would be a lubricant advertiser in *Power* using a sports situation in the illustration, or an industrial truck advertiser in *Factory* using a cartoon advertisement.

Some specific examples of *nonselectivity* illustrations are shown in Figs. 13-1, 13-2, and 13-3.

Selectivity. In this case an advertiser wants to attract his most select group of prospects and do an intensive sales job on each. The degree of selectivity will vary roughly with the category in which an advertisement is placed.

Low Level of Selectivity to High Level of Selectivity

1. Emphasis on company as a good company with whom to do business.
2. Display of the product with general statements of quality, economy, or production.
3. Prominent display of the product. Case histories showing production, economy, and specifications figures.
4. Prominent display of the product listing specific advantage and points of variance with that of a competitor.

Generally speaking, as your advertisement becomes more selective, "Noted" readership decreases. This is natural since the size of the potential audience narrows. However, *and this is important*, the decrease in thorough reading interest, "Read Most," is usually mini-



For a Real
"Beauty Treatment"
both in
Manufacturing and
in Merchandising

... top equipment-makers use **AMERICAN PHILLIPS SCREWS**

BEAUTIFY COSTS! Assembly costs never look so good as when they're *slimmed down to 50% of what they used to be...* simply by equipping all assembly departments with skid-proof, slash-proof American Phillips Screws. That's why leading makers of beauty-shop equipment use this modern fastening that saves half the time and the spoilage imposed by slotted screws.

BEAUTIFY SALES! The modern mark of the American Phillips crossed recess is a buy-sign that the public has learned to accept with confidence on everything from autos to model railroads... and that industry has long since accepted (in fact, *specified*) on everything from trucks to machine tools. That mark means that the product is built right, all the way through. Yes, American Phillips Screws are potent sales-promoters as well as cost-cutters. Get both these advantages *for your own product*. Write and tell us to prove that "American Phillips Screws always cost least to use."

4-WINGED DRIVER CAN'T SLIP OUT
OF PHILLIPS TAPERED RECESS

AMERICAN SCREW COMPANY, Providence 1, R. I.

Plants at Wilkinton, Conn., and Norristown, Pa.

Warehouses at 589 E. Illinois St., Chicago 11

502 Stephenson Building, Detroit 2

**AMERICAN
PHILLIPS** *Screws*



Figure 13-1



Remember Cimcool
covers 85% of all metal
cutting operations*

And you'll never be able to forget, once you see how Cimcool takes over 85% of all metal cutting operations and does a better job. This revolutionary cutting fluid replaces all water emulsions and all but a few highly compounded specialty oils. It proves itself by improving machine performance.

Cimcool is different—a chemical emulsion—that combines friction reduction and cooling capacity in a degree never before attained. You get longer tool life, less down time. Cimcool lasts longer in the machines too, reduces the cost of cleaning and changing. And Cimcool permits faster speeds.

Proof? Let a demonstration in one of your own machines convince you. Write us and we'll have one of our Cincinnati Milling-trained machinists call on you. Or if you prefer, write for our free booklet "CIMCOOL Gives the Answers." Address, Sales Manager, CIMCOOL Division, The Cincinnati Milling Machine Company, Cincinnati 9, Ohio.

*Trade Mark Reg. U.S. Pat. Off.

**A Production-Proved
Product of
THE CINCINNATI MILLING
MACHINE CO.**

CIMCOOL

for **85%**
OF ALL METAL CUTTING JOBS

Figure 13-2

They have FAR-REACHING qualities...

BATTERY trucks such as this one offer far-reaching advantages in warehouse duty. Fast and versatile, they save much time, space and hand labor. Smooth-running and fume-free, they cut product damage. Using dependable, low-maintenance electric drives, they run with a minimum of down-time.

Couple battery trucks with Edison batteries and you'll have the most reliable handling team going! Edison cells are built of rugged steel inside and out, and their electrolyte preserves steel. They are electrochemically fool-proof and are not injured even by accidental short-circuiting or reverse charging. They take jars, jolts and accidents as part of the day's routine. That's why they're an outstanding investment.

Write today for free booklet SB 2039 and a current price quotation. You'll find Edison batteries cost little more than other makes...and they pay this back over and over in terms of low upkeep and long, long life.—

*Edison Storage Battery
Division of Thomas A.
Edison, Incorporated,
West Orange, New Jersey. In Canada, International Equipment
Company, Ltd., Montreal and Toronto.*



EDISON
Nickel • Iron • Alkaline
STORAGE BATTERIES



Typical Truck Battery

Figure 13-3

mal, if at all. By making the advertisement selective in appeal, the advertiser chops off the readers with casual interest (Noted), and maintains those with high interest (Read Most).

Size and Color of the Advertisement. To a certain extent, selectivity of an advertisement is related to its size. Just as large-size advertisements tend to be nonselective, so small-size advertisements tend to be selective. When an advertiser increases the size he is using, he will reach more people. Most of these additional persons will be attracted not because of interest in the product (secondary attention) but by the physical size (primary attention) of the advertisement.

An advertiser who has a product that does not enjoy a wide usage has a limited number of prospects. A small-size advertisement will be read by most of them. The remaining nonreaders will not be too interested in his product. An advertiser whose product has wide usage can usually increase the readership in proportion to the cost of the additional space because he can draw upon a larger reservoir of interested persons.

Remember, many manufacturers have established stable businesses by using small-size advertisements. One must use caution in his decision, because it is entirely possible that while small-size space may tend to hold up sales, large-size space may increase them over a period of years.

Color operates much the same way as size and so will not be discussed further. Generally, what holds for one holds for the other. If it is efficient for an advertiser to use large-size space, it will be efficient to use color. There is only one difference—color used with the product makes the advertisement more selective. Color used in the headline, and in directional lines, makes the advertisement less selective. Also, a trade-mark in color tends to be selective as well as a continuous feature of a company's advertising effort.

Change Themes to Match Different Media. Research has shown that when the theme of an advertisement matches the interests of the readers of a magazine, readership is high. The reason is that the theme is of interest to a larger audience; thus, higher reading interest in the advertisement. A theme that may be very effective in one magazine often falls flat in another. One must use caution here

because there are differences in product interest which affect over-all reading interest. A lathe advertisement in *Factory* can receive much lower readership than in *Machinery*, even though each advertisement may match the interests of the reader.

This whole situation is made more difficult because of production costs and each advertisement must have a certain amount of "media" flexibility. This is a budget problem which may be restrictive, but must be considered in connection with costs. Also, it is intimately related to the technique of repeating advertisements.

Repetition of Advertisements. Studies have shown that when an advertisement is repeated it is read by about the same number of persons. But, some of those who read the second insertion also read it the first time. From 33 to 50 per cent of the readers of a second insertion will also have read the first insertion.

What happens after repeated insertions is that close to 100 per cent of the readers of the magazine will have read your advertisement at least once. Take an example of a two-page boiler advertisement in *Power*.

The average "Noted" is 40 per cent. If the same advertisement is used each month for a year, this is 40 per cent times 12 months, or 480 per cent. The reading extremes are these:

1. All the readers of the magazine (100 per cent) saw the advertisement 4.8 times during the year, or
2. Forty per cent of the readers of the magazine read the advertisement 12 times during the year.

This is a range from 4.8 to 12 times that the same people saw the same advertisement. After a while, the selling message in the advertisement is known, and has either convinced the reader or left him unconvinced. The value of repetition seems to be the ability of advertising to make felt an *unfelt* need. This consists of pounding the same idea time after time until one day the person decides it is a problem and then starts to correct it. This is a long task because it attempts to change the reader. It is much easier and quicker to answer a reader's present problems than to create problems for him.

While no one would use the same advertisement 12 times a year, some advertisers use the same sales message 12 times, varying only

the format of the advertisement. Before advertisers do extensive repeating of advertisements, they should answer the question: "Do I want the same persons to read this advertisement again?" The chances are excellent that the reader will repeat.

Types of Space. An advertiser is often up against the problem of how to use two pages in a single issue. Should he use a double-page advertisement (spread), or two single pages separated by editorial material?

The double page will be read by fewer different readers. But each page of the double pages will usually be seen more times than will each of the two single pages. The main merits of each are listed below:

1. Persons who read one page of a spread will invariably read the other. When the two pages are separated by editorial material, only about 50 per cent of the readers of one will read the other. Therefore, if you wish to make two impressions on the same people, use the spread. If you want one and one-half (approximately) impressions on more different persons, use the two single pages.

2. The spread has the advantage of capturing more primary attention because of its larger size. Thus, the readers of the spread will tend to approach an unselected cross section of the magazine's readers because of the decrease in selectivity due to size. The two single pages will attract a more selected audience. Each page will select its own audience.

3. It is mostly for this reason that, on a cost-per-reader basis, it is more expensive to use the spread. Usually, there is a limited number of persons who are interested in any given product. These persons are easily attracted to smaller advertisements. By increasing the size, the advertiser is forced to draw upon "uninterested" readers to keep constant his cost per reader. Naturally, the higher the readership an advertiser receives on a single page, the harder it will be to increase readership in proportion to cost of space when a two-page advertisement is used.

4. Copy style used with a single-page advertisement should be different from that of a double-page advertisement.

As pointed out above, a two-page advertisement will generally be less efficient than a one-page advertisement; that is, if its design and

content are similar to that for a page. It is possible to create a double-page advertisement that will operate as efficiently. This can be done by emphasizing the secondary factors of attention, or by using items of general interest as a theme. This enlarges the potential audience and thus permits the advertisement to attract more persons.

Inserts. Two-page inserts are single-page advertisements, back to back. Analyses have revealed the following facts:

1. Two-page inserts have the attention value of a single page. This compares with two-page spreads that have almost twice the attention value.
2. The back side of an insert will almost invariably be read by fewer persons than the front side.
3. In the case of inserts of three or more pages, the first and last single pages will have higher-than-expected readership. They gain from the attention value of the spreads in the insert.

SUGGESTIVE READERSHIP FINDINGS

This title has been used because the research on the following points has not been exhaustive, and also because the points represent isolated suggestions, which, when taken by themselves, usually hold true but which may be contradicted when used in conjunction with others. Advertising remains creative and not mechanical. Research can fill in the rough outline, but it cannot substitute for a good idea. An advertisement is not made of research suggestions put together into an advertisement, but research suggestions do come from analyzing the complete effect of the advertisement as a whole.

With this understanding, various guideposts are discussed here. For the purpose of example the objective of the advertiser has been assumed to be to reach those interested in his product and who realize a need for his product.

Headline. The headline should contain a benefit. The benefit should be different from the usual one. If the price is used, state it specifically and not generally. If quality is used, don't state "high quality," but tell in what particular manner it has quality. The best placement of the headline is usually between the main illustration and the text. Some layouts emphasize the headline, some do not. Either can

be effective. The size of the type depends upon the importance you place in its message. No general rule can be made. The same holds true for length. Take as much space as necessary to tell the headline story. To save space, it is usually beneficial to place the second line in smaller type.

Main Illustration. Some advertisers tell their whole story in the illustration. This is effective, but don't expect the reader to read your text. If he can get your story from the illustration, he will tend not to read the text.

The illustration should show the product. Don't take the first picture that comes along. Make sure that your product plays a dominant role and that the reader can find it (if used as a component). Exploded views, diagrams, and cross sections are very well read. When sales points are tied in with the illustration, draw a line between the text and the picture, or use some other device which will ensure rapid and easy association of one with the other.

Photographs tend to do better than art work, but the important point is the visibility and clearness of the illustration and product.

If the illustration is not the major part of your advertisement, it is best to place it at the "point of focus." This is found above and to the left of center. The eye travels clockwise and easier from left to right than up and down.

Subordinate Illustration. One of the main values of subordinate illustrations is that they allow the reader several choices. Also, by including smaller illustrations which are quite different from one another, an advertiser will often increase his reader audience. Some will be attracted by one of the illustrations, others by a second illustration, etc. For this reason, advertisements using several smaller illustrations tend to have a higher "Read Most" percentage than those that do not. An advertiser must be careful not to include too many of such illustrations. Probably three to five are best. More or less than that may result in a lower readership percentage.

Text. The body text plays different roles. In some advertisements the text is the most important part of the message, while in others it assumes an almost afterthought role. One of the most important points is that people will read copy. They aren't too concerned with

the length so long as it is interesting, tells them something that is new (informative), and follows the theme of the headline and illustrations. When the text is divorced in subject matter from these two, reading suffers.

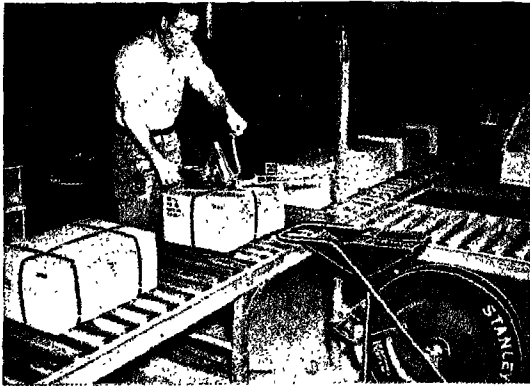
It also helps readership to set off the copy points. As in the case of smaller illustrations, it is best to keep the number of major copy points to three to five. Some advertisers do this, but violate several principles. First, some of them merely repeat a story told elsewhere in the advertisement. Second, some advertisers emphasize in color the *number* of the copy points. In such a case, color should not be on the number but on the subheadline. Other advertisers refrain from using subheads. A subhead does not drive people from your advertisement. It tells them what is coming and arouses curiosity. Where copy is concerned, many advertisers feel that no one is interested in reading it. What they forget is that the readers have been carefully selected by media, the headline, and illustration. Those who last for the printed sales message are truly enthusiastic readers, and each advertiser should reward them for their efforts.

Signature. If the company name is not prominent in any other place in the advertisement, it should be prominent here. Readers like to know who was responsible for each advertisement. Most will seek it out, but for the few who will not, the advertiser must make it easily found. Very seldom should it be made a major part of the advertisement. When it is, the persons selected by the advertisement will be those familiar with the name. Because this is a restriction among your best prospects, readership of the entire advertisement will be lowered.

SPECIFIC EXAMPLES OF COPY POINTS

Specific examples of copy points are given here. They are based on Starch readership findings in three magazines: *Factory*, *Machinery*, and *Power*.

Selling the Product by Selling the Use. Two advertisers of steel strapping in *Factory*, March, 1950, used two-thirds page advertisements. These two advertisers were basically selling the same product, steel strapping. As a theme, *Stanley* (Fig. 13-4) used its *system* of strapping, while its competitor emphasized the quality of the strapping.



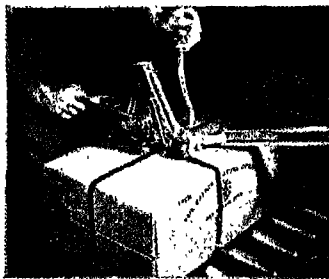
**"Packaging costs cut up to 25%
with Stanley Steel Strapping!"**

—Says The Fafnir Bearing Co.



Up to 25% saving on packaging cost—that's the record Stanley Steel Strapping System has made at The Fafnir Bearing Co. And it's typical of the way Steel Strapping can shave dollars and cents from packaging costs of almost any product.

Stanley Steel Strapping is quick and easy to apply—saves man-hours and materials—gives greater protection to goods in transit. System includes tools, reels and accessories—everything you need for your application. Write for full details or demonstration now! The Stanley Works, Steel Strapping Div., 257 Lake St., New Britain, Connecticut.



STEEL STRAPPING AND CAR BANDING SYSTEMS



Reg. U.S. Pat. Off.

HARDWARE • TOOLS • ELECTRIC TOOLS • STEEL STRAPPING • STEEL

Figure 13-4

Reading interest in this subject was very high. However, the Stanley advertisement, with its emphasis on the end benefit, did far better than the other manufacturer. The readership scores were:

<i>Advertiser</i>	<i>Noted</i>	<i>Seen-assoc.</i>	<i>Read most</i>
Stanley (use of product).....	29%	26%	17%
Competitor (product alone).....	15%	15%	10%

Use High-interest Items in the Illustration. It is not often that a two-third-page black-and-white advertisement outperforms a two-page, two-color advertisement, but here is one example from *Factory*, March, 1950 (see Fig. 13-3):

<i>Advertiser</i>	<i>Size and color</i>	<i>Noted</i>	<i>Seen-assoc.</i>	<i>Read most</i>
Edison.....	¾-p, b-w	20%	19%	9%
Competitor.....	2-p, 2-c	15%	12%	3%

It happened for a reason. Let's define the people attracted by the Edison advertisement. First, there was a picture of an industrial truck, so persons using industrial trucks would be interested. Second, it was a picture of an *electric* industrial truck, so persons interested in electric trucks would be interested. This last group represents the huge majority of the "prospects" that Edison must reach. They are interested in electric trucks and, therefore, in batteries.

The competing advertisement, on the other hand, had the battery prominently displayed. Those reading this advertisement would do so mainly because of interest in batteries, not necessarily interest in electric trucks.

Whereas the larger ad has restricted its potential audience to a very select group, Edison has taken advantage of their largest group, which was still selective. Therefore, Edison, even with a smaller-size advertisement, outperformed a competing product with a two-page spread.

High in Attention Value: Low in Reading Interest. In *Factory*, January, 1950, Allis-Chalmers used an ad which attracted a large number of readers. "Noted" was 34 per cent. However, the "Read Most" dropped to 7 per cent.

Veelos (Fig. 13-5) obtained half of the "Noted," or 17 per cent, but received 10 per cent "Read Most."

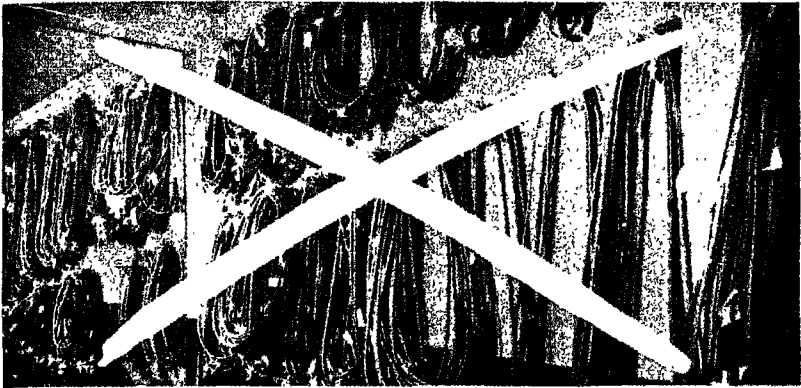
Part of the reason why Allis-Chalmers (Fig. 13-6) did so well on "Noted" was their use of both color in the headline and large-size type. It was a hard-hitting headline in layout and content. However, the main text contained seven selling points. First, this is a large number of points to get across. Second, the emphasis was on the numbers identifying the seven points and not on the subheadlines.

The Veelos advertisement used a main illustration followed by three smaller ones. The headline was below the large illustration. The captions explaining the smaller illustrations gave reasons for the superiority of the belt. While this ad did not stop as many readers, it did a very effective job in holding their interest.

Small-size Ads Can Be More Selective. At the end of the interview on readership of the advertising for December, 1949, *Factory*, each respondent was asked to select from a list those subjects in which he was interested. In the table below, the "Noted" readership is given for all respondents and for those interested in industrial trucks (see Figs. 13-7 to 13-12).

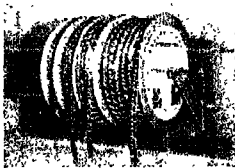
<i>Size and color</i>	<i>Advertisers</i>	<i>Over-all noted</i>	<i>"Interested" noted</i>	<i>Per cent increase</i>
3/4-p, b-w	Clark	16%	30%	88%
3/4-p, 2-c	EIT Assoc.	17%	30%	76%
2-p, 2-c, b	General Electric	28%	40%	43%
1-p, b-w	Elwell-Parker	37%	52%	41%
1-p, b-w	Baker	46%	62%	35%
1-p, 2-c	Mobilift	21%	28%	33%
Average		27.5	40.3	46.5

This table shows that readership is 47 per cent higher among those who are interested in the product. Also, it shows that on the whole,



Here's how to cut your v-belt costs

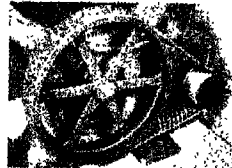
**You can replace up to 316 sizes of
endless v-belts with just 4 reels of Veelos**



From these four reels of Veelos you can make up 316 sizes of O, A, B and C section endless v-belts.



Any length belt can be coupled for quick installation on any drive in a few minutes.



Machine downtime is practically eliminated. Sliding of pivoted motor bases are not needed.

MAYBE you need belts of only one or two widths—but many different lengths—to keep all your drives producing. Then one or two reels of Veelos will give you a complete v-belt inventory.

You don't need to tie-up working capital in a heavy v-belt stock... you don't need to maintain costly inventory records. *With Veelos, you have the right size v-belt for any drive in your plant—all the time!*

Veelos on reels saves valuable storage space. It simplifies stock records; it eliminates belt deterioration and obsolescence.

Veelos is simple and easy to install. No need to disassemble drives with fixed centers or outboard bearings... no long, expensive interruptions to production. Just loop it around the sheave and couple the ends.

Check the advantages of Veelos and you'll agree that it can provide substantial savings for you.



Everyone responsible for power transmission needs this Veelos data book. Gives complete engineering data, measuring and installation directions. Shows Veelos at work on scores of different drives in many different industries. Write and we'll send you a copy free!

MANHEIM MANUFACTURING & BELTING COMPANY
MANHEIM, PA.



ADJUSTABLE TO ANY LENGTH • ADAPTABLE TO ANY DRIVE

Made in all standard sizes, fits all standard grooves. Packaged on reels in 100-foot lengths. Sales engineers in principal cities; over 350 distributors throughout the country. Veelos is known as VEELOS outside the United States.

Figure 13-5



These 7 Great Features Add Up To LONG V-BELT LIFE

1 *Powerful Cord Structure* built up of hard-twisted, high tensile strength cords, impregnated with live rubber compound to prevent chafing and heating.

2 *Thick, Railliant Cushion* of rubber supports cord structure at correct pitch line . . . absorbs shocks . . . helps dissipate heat.

3 *Tough, double-wrapped cover* of long staple fibres, bias cut for elasticity and impregnated with rubber. Protects cords . . . seals out dust, grit, moisture.

4 *Extra Stiffening Plies* of heavy fabric and rubber help keep the belt square in the groove.

5 *Precision Molded And Cured* in accurate steel dies. Gives belt the straight sides necessary to provide the bulging gripping action that all V-belts need.

6 *Every Belt Carefully Weighed* and inspected during construction. Assures perfect balance and uniformity.

7 *Accurate Set Matching . . .* Every finished belt measured while running under load. Texrope multiple V-belts are matched in sets to assure uniform load on each belt.

COMPLETE V-BELT SERVICE

Get everything you need for your V-belt drives . . . V-belts, standard and variable pitch sheaves and speed changers . . . from one reliable source. 144 page Texrope Pre-engineered Drive manual covers 90% of requirements. Get your copy today from your A-C Authorized Dealer or Sales Office or write for Bulletin 2086956. Also in Sweet's.

ALLIS-CHALMERS, 1078A SO. 70 ST.
MILWAUKEE, WIS.

Texrope and Super-7 are Allis-Chalmers trademarks.

ALLIS-CHALMERS



Super-7 Texrope V-Belts result from the cooperative research of Allis-Chalmers and B. F. Goodrich; and are sold only by A-C dealers and offices. A-2836

Sold . . .

**Applied . . .
Served . . .**

by Allis-Chalmers Authorized Dealers, Certified Service Shops and Sales Offices throughout the country.



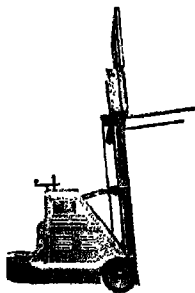
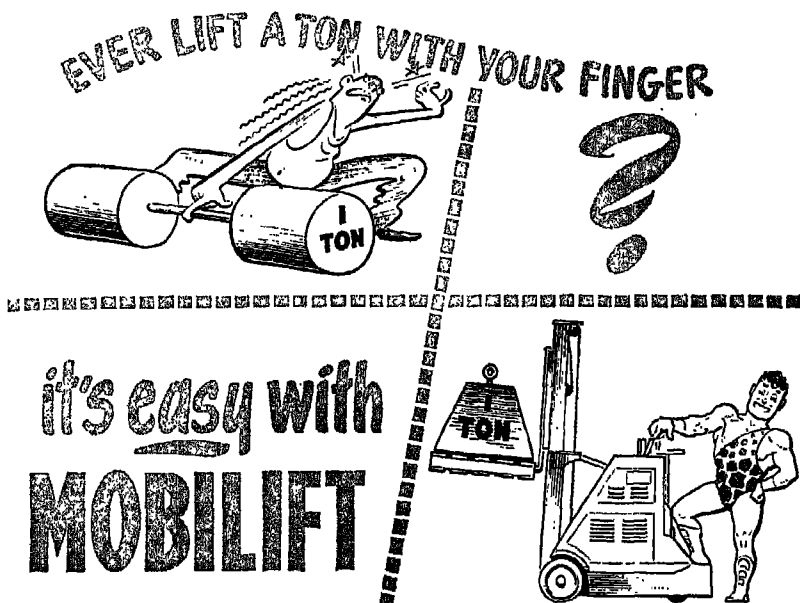
MOTORS — $\frac{1}{2}$ to 25,000 hp and up. All types.

CONTROL — Manual, magnetic and combination starters; push button starters and components for complete control systems.



PUMPS — Integral motor and coupled types. Sizes and ratings to 2500 GPM.

Figure 13-6



Three little easy-to-operate levers at fingertip level do all the work on a Mobilift. One hoists loads of a ton or more up to ceiling height. Another controls the tilt of the load. A third lever regulates the machine's travel speed. To make Mobilift even easier to operate it has no gears to shift—going forward or backward at the touch of a lever.

Such ease of operation has built Mobilift a reputation as the most maneuverable of all lift trucks—more trips per hour, more tons of materials per day. Let us show you why Mobilift's easy handling makes such a hit with both warehouse operators and business executives.

Mail the coupon below and we'll send you illustrated literature that explains more about Mobilift's cost-cutting advantages.

MOBILIFT CORPORATION

835 S.E. Main St., Portland 14, Oregon

Please send me your illustrated folder on Mobilift operation.

Name

Firm

Address

City State

MOBILIFT
"The MIGHTY MIDGET"

District Sales Offices

NEW YORK
CHICAGO

BERKELEY
LOS ANGELES

ATLANTA
DALLAS

Figure 13-7

***CLARK** materials-handling methods and machines constitute a team that **CURBS** wastes common to most handling operations. When and where this team goes to work, savings start **CLIMBING** as of "right now," and break-even points fall quickly to "breathe-easy" points. You can't beat this team, but you can join it to bring down production **COSTS** to a comfortable level.

.....
 How several blue-chip industries are curbing costs to the benefit of their profits is told and illustrated in "Material Handling News," the interesting "tell how" magazine and in Clark's "show how" motion pictures. You can use both to advantage simply by requesting them on your business letterhead.

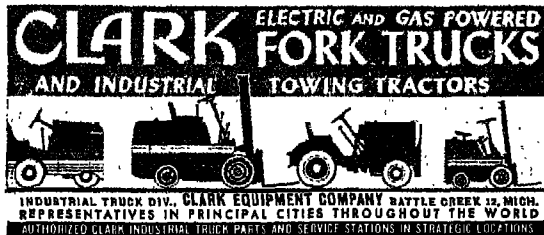


Figure 13-8

For Purity and Safety
of Materials in Process

BAUER & BLACK

Specialists in
Battery-Powered
INDUSTRIAL TRUCKS

Electricity is preferred to fuel
because it permits safe
handling of highly
flammable.

Cleanliness is a must at the Chicago plant of Bauer & Black—a Kendall Company division. Also protection of combustibles, since some of the products moved about and stored are highly inflammable; for instance, the thousands of pounds of raw cotton handled daily, or several of the chemicals used in treating finished products.

Twenty-two years ago Bauer & Black helped achieve both these objectives in material handling by purchasing their first battery-powered industrial truck. Additional battery-powered trucks followed. Now electric industrial trucks are an essential part

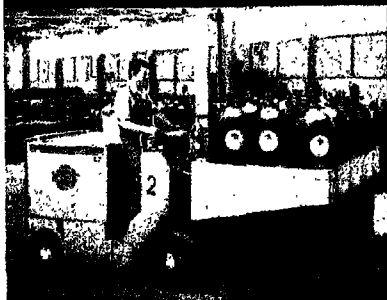
of the production method at Bauer & Black's plant. A plant official says "their natural ruggedness of construction keeps the trucks in operation at all times and available when they are wanted. We have had very little maintenance, even with our oldest trucks."

Another example of electric truck cleanliness and safety helping industry—while providing material handling at lowest cost per unit moved. This criterion, rather than initial investment, explains why "America's Top Industries Prefer Battery-Powered Trucks!"

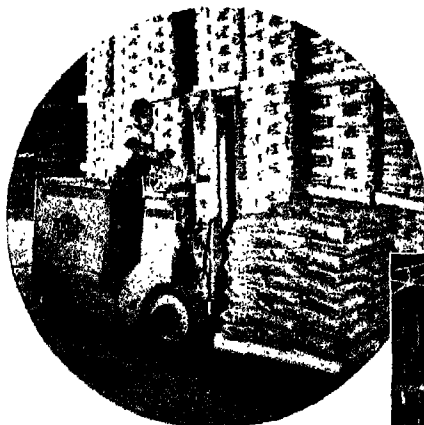
THE ELECTRIC INDUSTRIAL TRUCK ASSOCIATION
1001 Market Street, Philadelphia 10, Pa.

Figure 13-9

DOW CHEMICAL saves thousands of dollars annually with *BAKER TRUCKS*



Baker Fork Truck with Trayner-Reinhart cylinder carrier daily transports twelve 16" cylinders.



Bagged material, stacked on pallets as it comes from the line, is hoisted to the ceiling in storage. Cartons of finished chemical products are handled in pallet loads to save manual handling in transporting, storing, and car or truck loading.

At the Pittsburg, California, plant of The Dow Chemical Company, five Baker Fork Trucks expedite handling of material in production, storage and shipping departments.

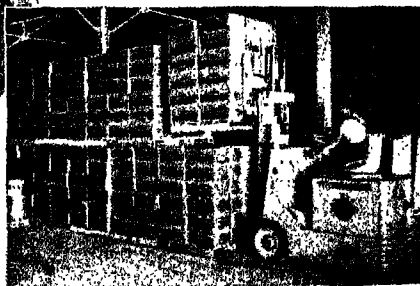
Two of these trucks, one of them fitted with a Trayner-Reinhart cylinder carrier, transport 16" cylinders of ammonia—twelve at a time—from production to warehouse and from warehouse to shipment. Trucks load cylinders directly into boxcars, or onto highway trucks.

The remaining trucks speed handling of chemical products in bags or cartons on pallets—taking them from production to storage, where they are high-tiered to conserve floor space, and from storage to shipment, where further man-hour savings are made in loading.

Prior to the installation of the Baker Trucks, material was transported manually and hand-stacked. Cylinders were rolled by hand, one at a time. The use of the trucks has resulted in savings of thousands of dollars annually over former methods.

BAKER INDUSTRIAL TRUCK DIVISION

of The Baker-Rauland Company
1218 West 80th Street • Cleveland 2, Ohio
In Canada: Railway and Power Engineering Corp., Ltd.



Baker INDUSTRIAL TRUCKS

Figure 13-10

New ELWELL-PARKER Gas Fork Truck...

offers many advantages!

All-Climate Engine—being air cooled, it is ready for use anywhere, any time.

Simplified Controls—of the automotive type; only one gear lever for high, low, forward, and reverse; one lever for lift.

Greater Tilting Angle—5° forward, and 10° backward for greater load stability turning corners.

High Speed Lift & Lowering—30 f.p.m. plus.

Double, Separated Lifting Cylinders—greatly improve vision of load.

Low Hydraulic Pressure—less than 1,000 p.s.i. in cylinders reduces liability of leakage.

Cushion Tires (Optional)—retain minimum truck width and add smooth riding qualities without puncture liability of high pressure pneumatics.

Sturdier Frame—center-silled, cross-ribbed type, assures permanent alignment.

Easier Steering—due to caster-type trail axle and compensated steering.

Worm Drive Axle—fewer parts; same housing accommodates higher gear ratio where necessary, due to extreme grade operations.

Easy Servicing—all parts readily accessible without general dismantling, avoiding need for stand-by trucks.



GF-26T Fork Truck
is a member of the



Because it is gas-powered, this new E-P fork truck is ideal under any of the following conditions: (1) longer runs, including outdoor use; (2) infrequent starting in the total operating cycle; (3) seasonal operation, where truck is not used every month. (Otherwise E-P electric trucks are more economical.)

Available for immediate delivery, this truck meets the uncompromising stand-

ards dictated by 40 years' successful experience, satisfying operational requirements of modern industries. The Elwell-Parker Electric Co., 4323 St. Clair Avenue, Cleveland 3, Ohio.

• • • • • Write for illustrated bulletin on this New Truck

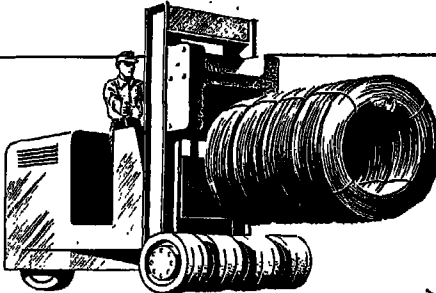
ELWELL-PARKER

POWER OPERATED TRUCKS

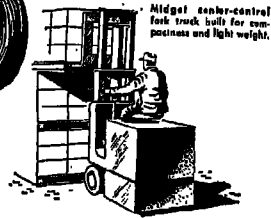
Figure 13-11

INDUSTRIAL TRUCKS

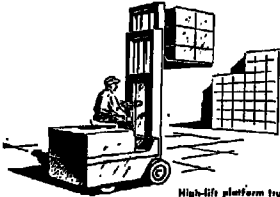
For Feathers or Forgings...



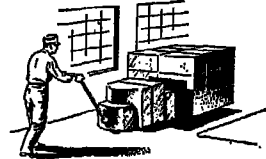
Heavy-duty ram truck built to handle loads up to 15 tons.



Midgeel center-control fork truck built for compactness and light weight.



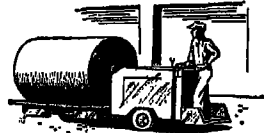
High-lift platform truck



Powered hand truck

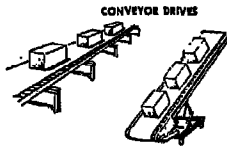


Fork truck

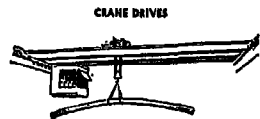


Low-lift platform truck

*Everything
electrical
for
MATERIALS
HANDLING*



CONVEYOR DRIVES



CRANE DRIVES

Figure 13-12

POWERED by G.E.

TO HELP CUT YOUR MATERIALS HANDLING COSTS

Operating economy, long life, noiseless operation, flexibility of control—these are the major advantages of battery-powered trucks recognized by all industry. In fact, today, the demands of low-cost production make the use of these economical handling devices a practical necessity.

An "old-timer" in this field, General Electric manufactures a complete line of electric equipment for industrial trucks—motors and control for all types and sizes of battery trucks . . . and chargers, both rectifier and rotating.

Electrical components can make or break a battery truck. It will pay you to specify equipment of proven quality. Be certain that the trucks you choose are G-E equipped and then insure their efficient operation with G-E battery chargers. Apparatus Department, General Electric Company, Schenectady 5, N. Y.

SEE the latest techniques and equipment in this new film



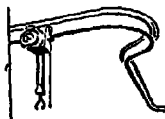
As a service to industry, General Electric has produced an unbiased, authoritative material covering in detail the latest techniques and equipment used in the materials handling field. Write or call your equipment supplier or G-E representative and have this film made available to you and your staff—without cost or obligation.

*Part of G.E.'s MORE POWER TO AMERICA program film is titled "Materials Handling—in Storing, Warehousing and Shipping."

GENERAL ELECTRIC

600-71

HOIST DRIVES



INDUSTRIAL TRUCK DRIVES & BATTERY CHARGERS



Figure 13-12 (Continued)



INDUSTRIAL TRUCK DRIVES



NEW RT Truck Motor. Designed specifically for the battery-truck industry this high-efficiency, small-diameter, round-frame motor withstands heavy overloads and permits dependable, long-life service.

NEW Master Switch. This four-point foot- or hand-operated master switch is enclosed in a dust-tight cast-iron case which thoroughly protects the contacts from contamination—providing long life and reliable operation.



Magnetic Control. Rugged contactors specially designed for battery-truck service enable this control to provide smooth, trouble-free performance. Equipments for larger trucks may be designed to include line control, acceleration, anti-plugging, and dynamic braking.



BATTERY CHARGING EQUIPMENT

G-E offers rectifier or motor-generator type charging units to meet your particular requirements—multiple-circuit units for use in a central charging room or single-circuit units for on-the-job charging. All equipment provides practical control for automatic charging to suit individual battery characteristics.



the smaller the advertisement, the more it tends to be read by a larger proportion of "interested" persons. This same observation has been definitely demonstrated with consumer advertising in magazines and newspapers.

The smaller-size advertisements tend to be read by those who are in direct contact with industrial truck problems, while the larger-size advertisements tend to be read by these same people plus people on the "fringe" of interest. This latter group may include shop managers, officials of the company, etc.

Mechanical Method of Attracting Attention to the Major Item of Interest.

Two advertisers, *Baker* (Fig. 13-13) and *Hyster* (Fig. 13-14), in *Factory*, November, 1949, had advertisements that were "Noted" by over 40 per cent of the readers of the magazine. The average "Noted" for the other three industrial truck advertisers who used a full page was 26 per cent.

What these two advertisers did was to call attention to the truck in the illustration. Baker put its name in white space on a black-and-white illustration. The outline of the white space pointed to the truck.

Hyster had an illustration with few black-and-white contrasts. However, they encircled the truck with a salient yellow line. The contrast of the bright yellow with the illustration drew the eye to the truck.

The end result was to attract more people to the advertisements.

Advertise Something Different. *Bassick*, in November, 1949, *Factory*, used a one-page, two-color advertisement which advertised a caster with a unique feature—the caster takes the bump, not the load. This principle was demonstrated in three illustrations, two of which were tied in with the basic one showing the caster itself. Of the readers, 37 per cent saw this advertisement and 18 per cent "Read Most" of the copy. The "Read Most" was 125 per cent above average on a cost basis.

The other caster advertiser used a two-thirds, black-on-white page. The emphasis was mostly on the name. There was little copy. Eleven per cent saw this advertisement and eight per cent "Read Most." The "Read Most" was 75 per cent above average on a cost basis.

The particular Bassick caster advertised may be expensive and of limited use for most people. However, this doesn't mean that the

STEEL WAREHOUSE CUTS HANDLING COSTS

75% for heavy stock
30% for light stock

WITH
**BAKER
CRANE
TRUCK**

A steel supply company faced the handling problem of unloading sheet stock, bar stock and pipe from box cars, storing it in special racks, and loading it onto highway trucks for delivery to its customers. Even with a lift truck, much manual handling was required.

The problem was solved with a Baker 2-ton Crane Truck, which quickly and easily unloads material from box cars to a point where it can be handled by

overhead crane. The Baker Truck also facilitates placing material in racks (as shown) and loading highway trucks. Its use has effected savings of 30% handling light stock, and 75% for heavy stock.

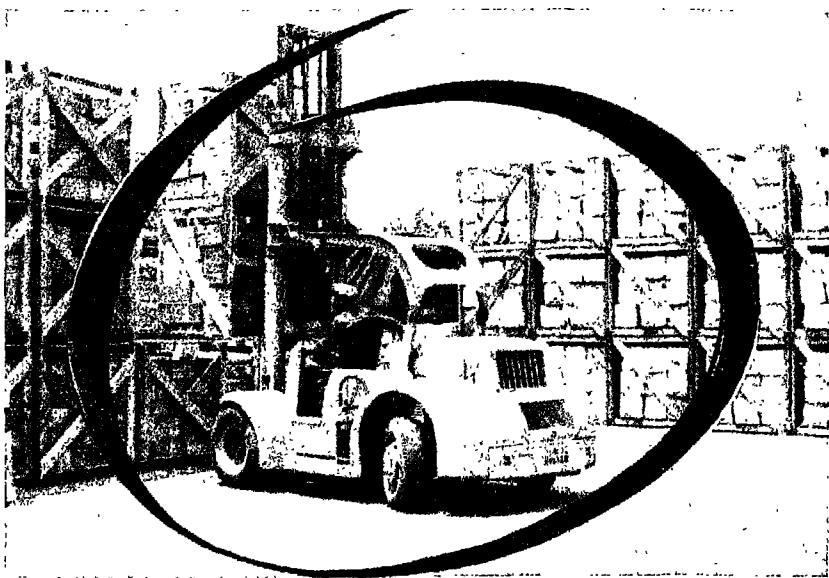
A Baker Material Handling Engineer can show you how similar savings are possible in your plant.

BAKER INDUSTRIAL TRUCK DIVISION

of The Baker-Ranlog Co.
1218 WEST 80TH STREET • CLEVELAND, OHIO
In Canada: Railway & Power Engineering Corp., Ltd.

Baker INDUSTRIAL TRUCKS

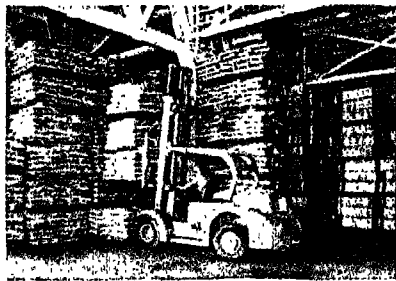
Figure 13-13



HYSTER 150... *King of Lift Trucks*



Hyster manufactures 7 lift truck models, which have capacity ranges from 2,000 lbs. to 30,000 lbs. All are equipped with pneumatic tires. Write for literature.



HERE'S THE HYSTER that has *worked* its way to the top by cutting costs in the MANUFACTURING INDUSTRIES. 15,000 lb. capacity. Handles anything. Pneumatic tires. Easy on the operator. Heavy duty gasoline engine. Full hydraulic braking system. 17½ ft. lift to underside of load on 42 in. load arms. Hoists, transports, tiers heavy or bulky loads—inside or outside. Want a demonstration? Or a list of users? See your Hyster distributor.

HYSTER® COMPANY THREE FACTORIES

2956 N. E. CLACKAMAS, PORTLAND 8, OREGON
1856 NORTH ADAMS ST., PEORIA 1, ILLINOIS
1056 MEYERS STREET... DANVILLE, ILLINOIS

Figure 13-14

advertisement was not selling *all* casters. While selling this special caster (at a low advertising cost) this advertisement was selling *all* Bassick casters and also selling Bassick as a progressive company. These considerations must not be overlooked.

Your Reader Also Sees Your Competitor's Advertisement. When making up an advertisement, an advertiser must consider that he is competing against other advertisers of the same product. For example, the average reader of any one of six industrial truck advertisements in *Factory*, October, 1949, also "Noted" 1.2 *other* truck advertisements in the same issue. In other words, a reader of your advertisement may, on the average, read one or more of your competitor's advertisements.

In a sense this is a better situation than would be thought from observation of the readership scores. For example, the "Read Most" scores range from 8 to 11 per cent, or a 3 per cent spread. This might be interpreted as the same people reading all such advertisements. However, the above analysis demonstrates this is not the case. It indicates that each advertisement was appealing to part of the total industrial truck "audience," and that the advertisers were roughly equal in attracting readers.

The moral may be that a single advertisement cannot be all things to all readers. If anything, this may indicate a reevaluation of objectives. Should an advertiser maintain a constant style and thus appeal to the same group and build up high acceptance among them? Or should he vary his advertising so as to attract over a period of time most of the industrial truck audience?

What is the size of this "audience"? Of the readers of *Factory* 52 per cent "Noted" at least one truck advertisement, and 30 per cent "Read Most" of at least one truck advertisement. Thus, when evaluating your readership scores, consider that the maximum "Noted" readership is not 100 per cent but about 50 per cent for industrial truck advertising. For example, an *all reader* "Noted" score of 20 per cent then reaches 40 per cent of the "industrial truck reading audience."

Secondary Attention: Product Related vs. Product Unrelated. Who is your audience, and what are you advertising? There were three advertisers of V belts in *Factory*, August, 1949: Goodrich (Fig. 13-15), Goodyear (Fig. 13-16), and Gates (Fig. 13-17). Goodrich had a con-



Rubber muscles for jaws that chew rocks

A typical example of B. F. Goodrich product improvement

BY THE TIME it reaches the end of that roller coaster, a rock has become sand. Each climb carries it to a crusher that reduces its size—from big ones into little ones.

But the chains that drove that whole mass of equipment were always wearing out, and breaking. They had to be greased of course; the grease collected dust; the dust cut the chains. And when that mass of machinery stopped, costs mounted by the minute.

Rubber V belts were proposed, but the terrific loads would have stretched them into useless shape in no time.

Just about then B. F. Goodrich developed a new kind of V belt—much stronger than other belts because of a new kind of reinforcement called a "grommer".

A B. F. Goodrich distributor suggested that the quarry owner replace the noisy, hard-to-maintain chain drives with these grommer belts. They were installed 7 years ago, have already lasted four times as long as the old-type drives, and are still going strong. They're clean and quiet—no grease or dirt, no creaking.

Improving products long considered

"standard" is day-by-day work for B. F. Goodrich engineers. Every one of the thousands of BFG products is subject to continual research and experiment to improve the product or develop useful new applications of rubber for industry. Thousands of business men come to B. F. Goodrich first, sure that BFG has or will find the answer to their problems. *The B. F. Goodrich Company, Industrial and General Products Division, Akron, Ohio.*

B.F. Goodrich
RUBBER FOR INDUSTRY

Figure 13-15

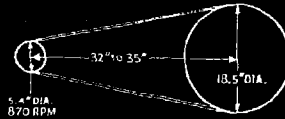
How to belt a boxer

for the
long count

GOODYEAR INDUSTRIAL RUBBER PRODUCTS



-Specified COMPASS-V-STEEL BELT
FOR DRIVING STAPLING MACHINES



ANOTHER GOODYEAR PERFORMANCE RECORD

A FLORIDA box manufacturer has five stapling machines in his plant—"boxers" that turn out fruit crates used by citrus growers. Power for these machines was formerly supplied by ordinary-type V-belts. In spite of frequent take-ups, these belts stretched beyond usefulness—had to be replaced about every six months.

Frequent downtime and lost production led the plant owner to call in the G.T.M.—Goodyear Technical Man. He studied the drive, recommended re-belted with Goodyear COMPASS-V-STEEL belts. That was over 18 months ago. And the belts haven't been taken up since they were installed. They're still in service—with plenty of useful life left after giving 200% better service than the best previous record.

Belt service records like this one are an old story where

COMPASS-V-STEEL belts are concerned. Their unique construction bodies the belt with rugged steel cables in the load-carrying section. That means far greater belt strength—highest heat resistance—practically zero stretch. COMPASS-V-STEEL belts pull heavier loads—assure longer life on present drives or equal efficiency with fewer belts at higher or lower belt speeds.

COMPASS-V-STEEL belts are available in a standard range of sizes. Ask the G.T.M. for full details, or write Goodyear, Akron 16, Ohio.

FOR HOSE, FLAT BELTS, V-BELTS, MOLDED GOODS, PICKING AND TANK LINING built to the world's highest standard of quality, call your nearest Goodyear Industrial Rubber Products Distributor.

GOOD YEAR

Copyright © W. H. The Goodyear Tire & Rubber Company

THE GREATEST NAME IN RUBBER

Figure 13-16

Here is
Plain PROOF...

That the
CONCAVE SIDE
(U. S. Patent No. 1813698)
SAVES Transmission DOLLARS

You can actually feel
the sides of a belt change shape
as the belt bends.




When a *straight-sided* V-Belt bends around a pulley, three things are bound to happen.

(1) The top of the belt, being under tension, *narrows*. (2) The body of the belt, under compression, *widens*. (3) The sides of the belt *bulge out*.

These *shape changes* are inevitable. They are shown in figures 1 and 1-A, below.



Fig. 1
Straight-Sided
V-Belt.



Fig. 1-A
How Straight-Sided
V-Belt Bulges
in Sheave-Groove.

Because this bulging belt does not fit the sheave groove, two facts become clear. (1) The belt will get excessive wear where it bulges—*shorter life!* (2) The whole side of the belt cannot *uniformly* grip the pulley—a *loss in drive efficiency*.

How different the V-Belt with the precisely engineered *concave* side (U.S. Patent No. 1813698)—the Gates Vulco Rope. As this belt bends it assumes a shape that *exactly* fits the sheave groove. (Figures 2 and 2-A, below.)



Fig. 2
Gates Vulco Rope
with Concave Side.



Fig. 2-A
No Side Bulge.
Precise Fit
in Sheave-Groove.

Two savings result. (1) The Gates Vulco Rope wears evenly—*longer life!* Its entire side-wall grips the pulley—no slip—*full delivery of power!*



Gates
REG. U. S. PAT. OFF.

The Mark of **SPECIALIZED** Research

**The Concave Side is
MORE IMPORTANT NOW
Than Ever Before**

Because the sides of a V-Belt are what actually drive the pulley it is clear that any increased load on the belt means a heavier load that must be transmitted to the pulley directly through the belt's sidewalls.

Now that Gates **SPECIALIZED** Research has made available to you **SUPER Vulco Ropes**—carrying fully 40% higher horsepower ratings—the life-prolonging Concave Side is naturally more important in conserving belt life today than ever before.

498

GATES VULCO ROPE DRIVES

Engineering Offices
and Jobbing Branches

IN ALL INDUSTRIAL CENTERS

of the U. S. and
Foreign Countries

THE GATES RUBBER COMPANY
DENVER, U.S.A.

"The World's Largest Makers of V-Belts"

Figure 13-17

tinuation of their institutional campaign, *i.e.*, selling the company. The headline and illustration were not selective of any one group but were attractive to most of the readers of *Factory*. "Noted" was 36 per cent and "Read Most" was 18 per cent. These percentages were also influenced by page position (page number one).

Goodyear was interested in reaching persons concerned with V belts and stapling machines. This was a selected audience. They were selling V belts and the emphasis was on a particular feature, steel cables in the belt. The advertisement was "Noted" by 12 per cent and "Read Most" by 7 per cent. Although this was lower than Goodrich, it must be remembered that they apparently were not interested in attracting everyone, and so restricted their potential audience.

The third advertiser, Gates, was selling V belts. Their audience was those persons interested in V belts, regardless of how they may be used. The emphasis was on the one outstanding quality of the belt, the concave side. This was brought out by means of six small illustrations. Nearly all who were attracted to the advertisement stayed to read it. "Noted" was 14 per cent; "Read Most" was 10 per cent. Compare this with Goodrich, 36 to 18 per cent (or 50 per cent stayed to read); and with Goodyear, 12 to 7 per cent (or 58 per cent stayed to read). For Gates it was 14 to 10 per cent, or 71 per cent who stayed to read the copy.

Match the Principal Interests of Readers of the Medium. Texaco, in March, 1950, *Machinery* (Fig. 13-18), used copy which was slanted toward the interests of readers of *Machinery*. The subject was grinding. The message tied in Texaco oils with grinding wheels. In *Machinery*, interest in grinders is high. In the same issue, "Noted" of grinder advertisements was 30 per cent higher than for all advertising. Thus by centering the advertisement about a grinding operation, Texaco was able to obtain very favorable "Noted" readership.

A competing refinery was selling a motor oil such as that used in passenger cars. The illustrations featured their processing plant and a gasoline station. These two subjects were not of special interest to readers of *Machinery*.

Texaco reached 143 per cent *more* persons who saw the advertisement than did the second advertiser.

FASTER GRINDING — FEWER WHEEL DRESSINGS — LOWER COSTS

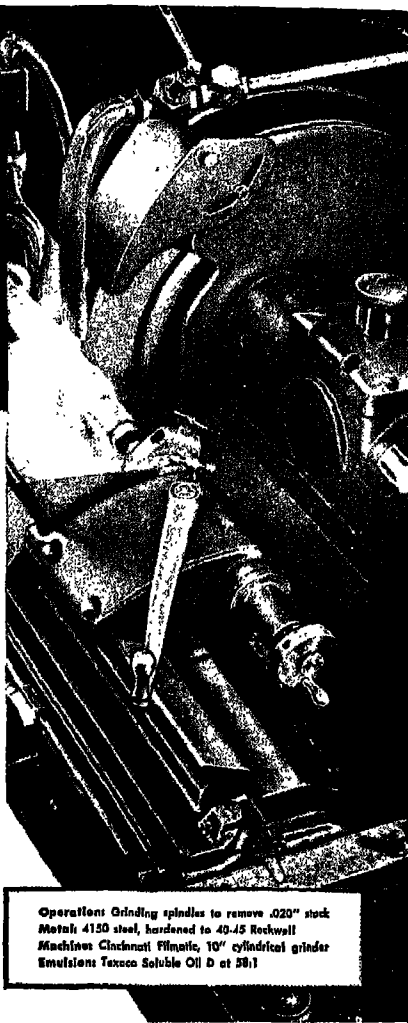
Economies gained by a New England plant* using **TEXACO SOLUBLE OIL**

In this spindle grinding operation, an emulsion of *Texaco Soluble Oil D* is far out-performing the previously used high-priced competitive coolant. This is shown by a comparative run in which the same number of pieces was ground with each lubricant in turn.

Throughout the test, the wheel protected by the *Texaco Soluble Oil* emulsion required no dressing at all. Wheel size and corners were adequately maintained. With the competitive coolant, wear and corner breakdown sufficient to require wheel dressing occurred before half the run was completed.

In addition, *Texaco Soluble Oil* kept the wheel open, assuring faster cutting and better finish, and considerably reduced the total time for the run.

Examples like this of lower cost machining are the rule when *Texaco Cutting, Grinding and Soluble Oils* are on the job. A *Texaco* Lubrication Engineer will gladly help you gain these same benefits in your plant—whatever your metal working operations. Just call the nearest of the more than 2,000 *Texaco* Wholesale Distributing Plants in the 48 States, or write The *Texaco* Company, 135 East 42nd Street, New York 17, N. Y.



Operations Grinding spindles to remove .020" stock
Metal: 4150 steel, hardened to 40-45 Rockwell
Machines: Cincinnati Filmatic, 10" cylindrical grinder
Emulsion: *Texaco Soluble Oil D* at 5%¹

¹Name of this *Texaco* user on request



TEXACO CUTTING, GRINDING AND SOLUBLE OILS FOR FASTER MACHINING

TUNE IN . . . *TEXACO* presents HILTON BERLE on television every Tuesday night, METROPOLITAN OPERA radio broadcasts every Saturday afternoon.

Figure 13-18

Analysis of the Reading of a Four-page Advertisement. Gisholt (Fig. 13-19), in *Machinery*, February, 1950, used two inserts on a four-page advertisement on pages 43-46. The readership scores are given below:

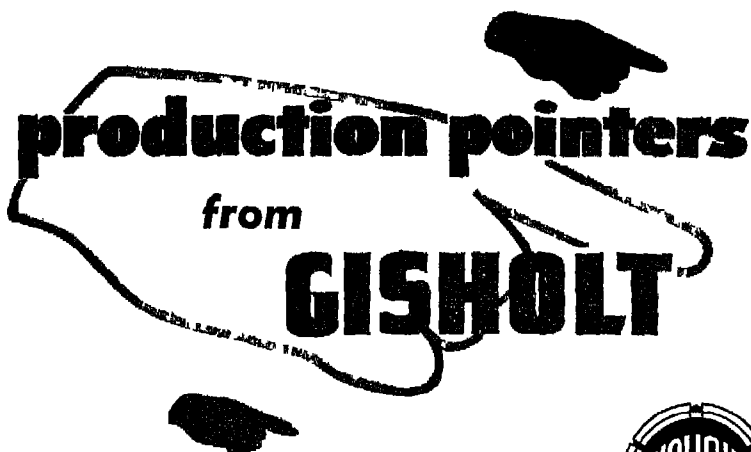
	<i>Noted</i>	<i>Seen-assoc.</i>	<i>Read most</i>
First advertisement.....	24%	22%	9%
Second and third advertisements....	23%	21%	8%
Fourth advertisement.....	16%	14%	8%

While the "Noted" fell off from 24 to 16 per cent, the "Read Most" remained at about the same level. Thus, those who read the sales message of the first advertisement were interested enough to stay through all four advertisements.

The combined readership of the two middle facing advertisements was not greater than that for the first single-page advertisement. This would tend to indicate that perhaps the first and second advertisements should be a spread so as to capture the largest initial audience. It is not justifiable to compare on a cost basis the readership of the two center advertisements with the first one, since the former is largely dependent upon the number attracted by the single page.

The new readers added by each advertisement were tabulated and are shown below for "Noted."

	<i>Addition of new "Noted" readers</i>	
	<i>Noted</i>	<i>Cumulative noted</i>
Noted first advertisement.....	24%	24%
Noted second and third, and not first.....	5%	29%
Noted fourth and not the others.....	1%	30%
Noted gain over first advertisement (24 to 30%).....	25% increase



production pointers from **GISHOLT**

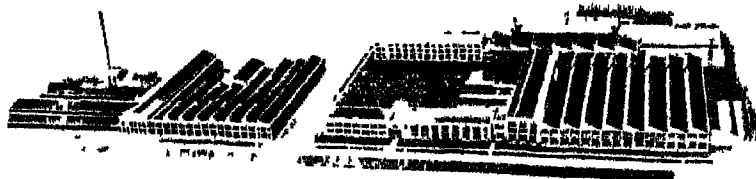
A UNIQUE SERVICE IN THE MACHINE TOOL INDUSTRY

When you call upon Gisholt engineers you obtain unbiased help on your turning problems. This is because Gisholt's broader range of equipment includes both types of manually operated turret lathes as well as three distinct types of automatic lathes. Here are the machines to answer your specific needs for production. Here, too, is the experience —without prejudice for one type of machine over another. Gisholt's compelling interest is to solve your problems in the most efficient manner.

GISHOLT MACHINE COMPANY • MADISON 10, WISCONSIN



THE GISHOLT ROUND TABLE represents the collective experience of specialists in machining, surface finishing and balancing of round and partly round parts. Your problems are welcomed here.



TURRET LATHES • AUTOMATIC LATHES • SUPERFINISHERS • BALANCERS • SPECIAL MACHINES

Figure 13-19

Since the three additional pages added only 25 per cent *new* readers to those of the first advertisement, the value of the four pages was not in attracting additional readers but in making successive impressions on the same persons. The total number of "Noted" impressions is equal to the total of the "Noted" percentages (considering the readership for advertisements 2 and 3 as double). This was 86 impressions among every 100 persons interviewed. Needless to say, this was an impressive number.

Show the Product in the Illustration. Bethlehem (Fig. 13-20), Ryerson (Fig. 13-21), and Timken (Fig. 13-22), in January, 1950, *Machinery*, had an average "Noted" of 22 per cent and "Read Most" of 10 per cent. All three advertisements had a picture of steel and in the headline showed an advantage of the product. A fourth manufacturer, however, used a "fantasy" comic ad with steel not shown in the illustration. The headline did not contain any mention of steel or advantages. The text dealt with generalities. The "Noted" was 15 per cent, "Read Most" was 5 per cent. There was a huge drop-off in "Seen-Associated." Actually, this ad could be selling almost any product. For some purposes this may be a good approach, but in the industrial field the effect was to reduce the over-all effectiveness of the ad.

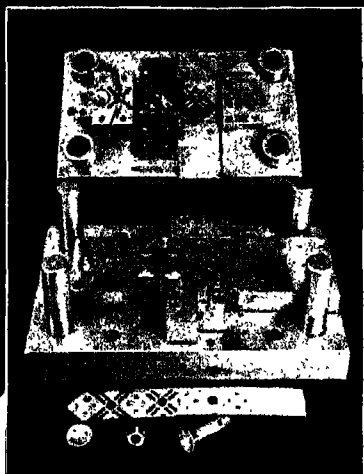
Emphasize Important Unique Feature. There were four advertisers of taps in *Machinery*, September, 1949. One advertiser, Butterfield (Fig. 13-23), received "Read Most" of 19 per cent. Another advertiser had "Read Most" of 5 per cent. The first advertisement had more copy and greater reading than the others. Probably the reason for the superiority was that Butterfield had two illustrations of two different types of taps. One made the chips curl down, and the other made the chips spiral up out of blind holes. The illustrations showed the taps being used, which none of the other advertisements did. The illustrations also told a complete story of how these taps accomplish the various operations. Often, when an illustration tells a complete story, copy reading decreases. However, Butterfield tied in copy containing descriptions and selling points with each illustration.

From this advertisement two lessons may be learned. First, select an *important* unique feature of your product, and second, when your

A-H5

(5 PCT CHROME AIR-HARDENING)

*A Toolroom Favorite
on 5 counts*



"A-H5 always meets or exceeds our expectations . . ."

This comment comes from the chief engineer of Day and Night Division, Allied Gas Equipment, Inc., in Monrovia, California. This company makes a complete line of gas, space and water heaters for home and commercial use. The die shown is used to pierce, blank and form burner assemblies from .025-in. stainless-steel strip. With all its parts made of A-H5 except the punches (they use Lehigh H), this progressive die is still going strong after producing several hundred thousand pieces, examples of which are shown in the foreground.

1. Air-hardening for safety.
2. Good wear-resistance.
3. Good toughness.
4. Excellent resistance to deformation.
5. Easy to machine.

There's plenty of versatility in this 5 pct chrome, air-hardening tool steel. And it's economical, too, often replacing more expensive grades.

A-H5 is a general-purpose steel that fits in between the standard oil-hardening steels (such as Bethlehem's BTR) and the high-carbon, high-chrome tool steels like Lehigh H (another Bethlehem champion). Here's a quick comparison of the properties of all three:

	BTR oil-hardening	A-H5 5 pct chrome	LEHIGH-H high carbon, high chrome
Wear	1	2	3
Toughness	3	2	1
Non-deforming . .	1	2	3
Red-hardness . . .	1	2	3
Machinability . . .	3	2	1

(Wear, Tough, Deform, Red-hard, Mach)

Use A-H5 for a variety of dies, punches, blanking tools, cold-forming dies, master tools, gages, and the like. Give it a thorough trial and you'll be sold on having it in your toolroom to stay. Let the nearest Bethlehem sales office or tool-steel distributor give you complete information. Quick delivery from our mill depot or local distributor's stock.

BETHLEHEM STEEL COMPANY

BETHLEHEM, PA.

On the Pacific Coast Bethlehem products

are sold by

Bethlehem Pacific Coast Steel Corporation

Export Distributor:

Bethlehem Steel Export Corporation



HEAT-TREATMENT OF A-H5

	C	Mn	Cr	Mo	V
Typical Analysis:	1.06	0.36	5.26	1.10	0.25

Annealing: Pack, heat to 1650 F., slow furnace-cool, Brinell 212 max.

Preheating: 1200 to 1250 F., prior to hardening

Hardening: 1775 F., oil-quench

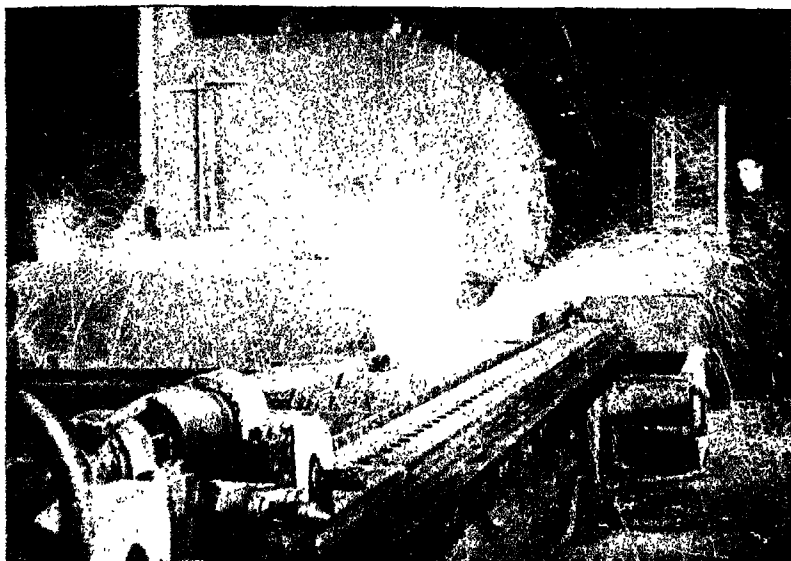
Tempering: 350 to 400 F., Rockwell C 60 to 62

Bethlehem



Tool Steel

Figure 13-20



Cuts Beams Like Butter . . .

To Give You Quick, Accurate Steel Service

Biting through a 24 inch beam at a Ryerson plant, this big friction saw completes the cut in 11.6 seconds—literally cuts cold steel like hot butter. The speed of the cut results in the very minimum of burr and a new method of maintaining blade alignment assures a straight, true edge.

This new saw is typical of the equipment that's ready to work for you at your nearby Ryerson plant. Another—a new metal saw with a big 18 x 18 inch capacity. Using high speed hack saw blades, it cuts bar steel to close-tolerances, and every cut, square or angular, has an unusually accurate surface.

Then there's the flame-cutting machine, with an electric eye to follow your sketch or blue-print,

which cuts irregular shapes with amazing accuracy—to within fifteen thousandths of an inch! These machines, and many others, work for you as your own when you call us for steel from stock.

No other steel service organization in America is better equipped. Few can serve steel buyers nearly as well. For steel cut *exactly* the way you want it, get in touch with our nearest plant.

PRINCIPAL PRODUCTS

BARs—Carbon & alloy, hot rolled & cold finished

STRUCTURALS—Channels, angles, beams, etc.

TUBING—Seamless & welded mechanical & boiler tubes

STAINLESS—Alloyed metal plates, sheets, bars, etc.

PLATES—Sheared & U. M. Island & Way Floor Plate

SHEETS—Hot & cold rolled, many types & coatings

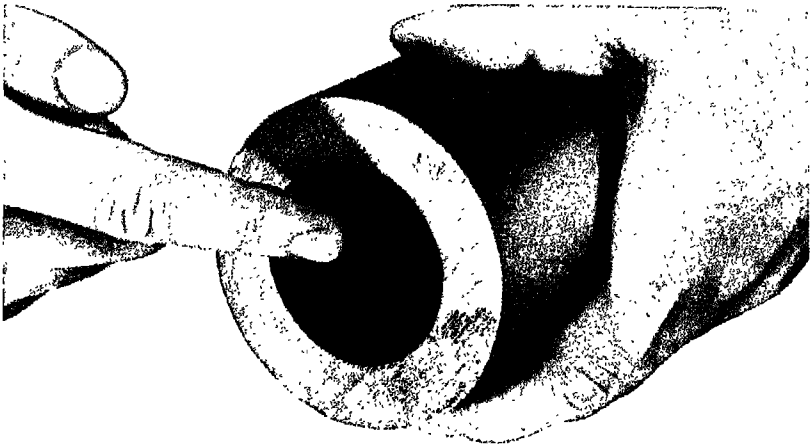
MACHINERY & TOOLS—For metal working

RYERSON STEEL



JOSEPH T. RYERSON & SON, INC. PLANTS AT: NEW YORK • BOSTON • PHILADELPHIA • DETROIT • CINCINNATI
CLEVELAND • PITTSBURGH • BUFFALO • CHICAGO • MILWAUKEE • ST. LOUIS • LOS ANGELES • SAN FRANCISCO

Figure 13-21



If you make a hollow part ...let us give you the hole!

WHY waste metal and machining time drilling the center hole for your hollow cylindrical part when you can use Timken[®] seamless tubing with the hole already there?

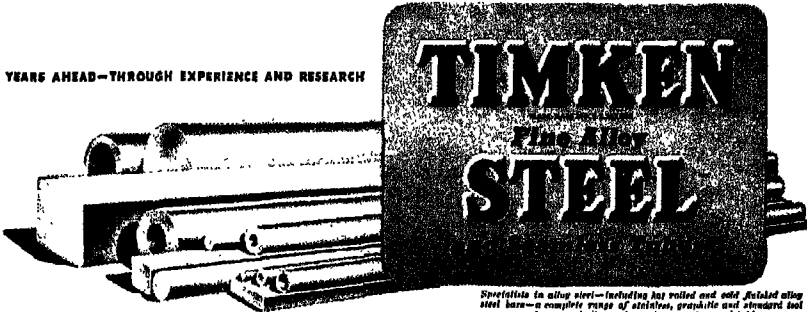
With Timken seamless tubing, you can often start right in with finish boring. Scrap loss is reduced—machining time saved. You have a lower cost product and a better quality one, too.

The piercing process by which Timken tubing is made is basically a forging operation. This gives the tubing a uniform spiral grain flow for greater product strength, and a refined grain structure which brings out the best in the quality of the metal.

Every inch of a Timken seamless tube possesses uniform fine forged quality because it is pierced at the rate of a foot a second with no time for heat loss. And Timken's rigid quality control from melt shop through final tube inspection assures you of uniformity from tube to tube and heat to heat.

GUARANTEED CLEAN-UP! Let our Tube Engineering Service analyze your requirements and recommend the most economical size tube for your job. The size they recommend will have a minimum of waste stock and will be *guaranteed* to clean up your finish dimensions. The Timken Roller Bearing Company, Steel and Tube Division, Canton 6, O. Cable address: "TIMROSCO".

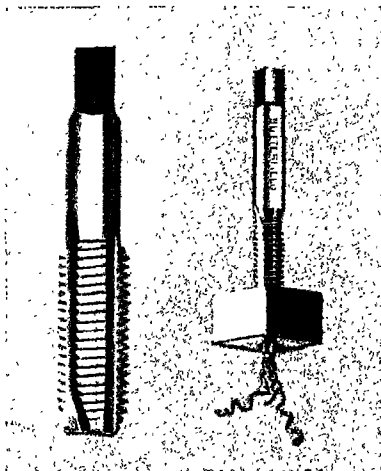
YEARS AHEAD—THROUGH EXPERIENCE AND RESEARCH



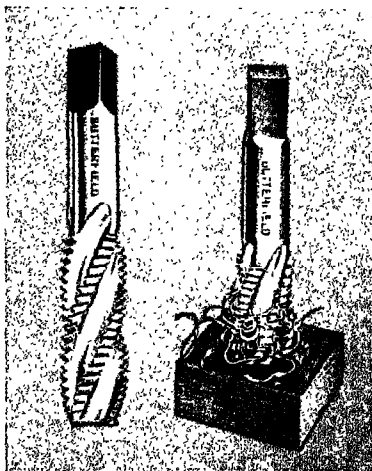
Specialists in alloy steel—including hot rolled and cold finished alloy steel bars—a complete range of stainless, graphite and standard tool steels—and alloy and austenitic stainless steel tubing.

Figure 13-22

Let the chips fall either way!



CHIPS CURL DOWN and out of deep through holes when you use Butterfield Ground Thread Spiral Pointed Taps — right hand cut, left hand spiral points. No chip clogging in the flutes. These taps also recommended for blind holes when drilled deeply enough to allow clearance for chips at bottom of hole.



CHIPS SPIRAL UP and out of blind holes that have little or no chip room at the bottom when you use Butterfield Ground Thread Spiral Fluted Taps — right hand cut, right hand spiral flutes. Flutes are milled to the correct degree of spiral allowing tap to cut freely while ejecting chips from hole.

INSIST ON BUTTERFIELD GROUND THREAD TAPS

Whether you want to tap blind holes or through holes, there's a Butterfield Tap to meet your need . . . to cut smooth, accurate threads in aluminum, magnesium, brass, copper, zinc and similar materials. What's more, because they're Butterfield, you get extra assurance of top performance, maximum savings in time and money. *Every Butterfield Tap is individually inspected.* These taps, too, are *ground thread*...providing maximum accuracy and savings by fewer wasted threaded parts.

For quick deliveries, depend on your nearby Butterfield Distributor. Union Twist Drill Company, BUTTERFIELD DIVISION, Derby Line, Vermont and Rock Island, Quebec.

BUTTERFIELD

THE 100% INSPECTED TOOLS

Every Tool Individually Inspected

TAPS • DIES • REAMERS • SCREW PLATES

Figure 13-23



It was 1912—and Arizona was admitted to Statehood as the 48th State—when we introduced "Flexitallic," the original Spiral-Wound Gasket, and opened to industry new fields of opportunity in the confining of fluids at high pressures and high temperatures.

WHEN A HIGH-PRESSURE GASKET FAILS...

What does it cost you when a high-pressure gasket fails? . . . In danger to personnel . . . damage to equipment . . . loss of operating time? Calculate the cost—*total*—and then decide whether you can afford to use anything less than the safest high-pressure seal.

It was just such calculations that convinced oil refineries, chemical industries, power plants, shipyards and steamship operating companies, and others who are *seriously* concerned with high pressures and high temperatures to standardize on Flexitallic, the original Spiral-Wound Gaskets.

They know from experience.

When you specify Flexitallic Gaskets, you set in motion scientifically devised controls for the determination of yield values, resili-

ence and gasket density. You can see the results of Flexitallic precision—greater safety, gasket efficiency and economy of operations.

If you are *seriously* concerned with confining fluids safely and *do not know from experience* of the superior performance of Flexitallic Spiral-Wound Gaskets, write us on your company letterhead, giving us the following facts regarding your sealing requirements:

- (1) Fluid to be confined
- (2) Type of flange and dimensions
- (3) Operating pressures and temperatures
- (4) Bolting data

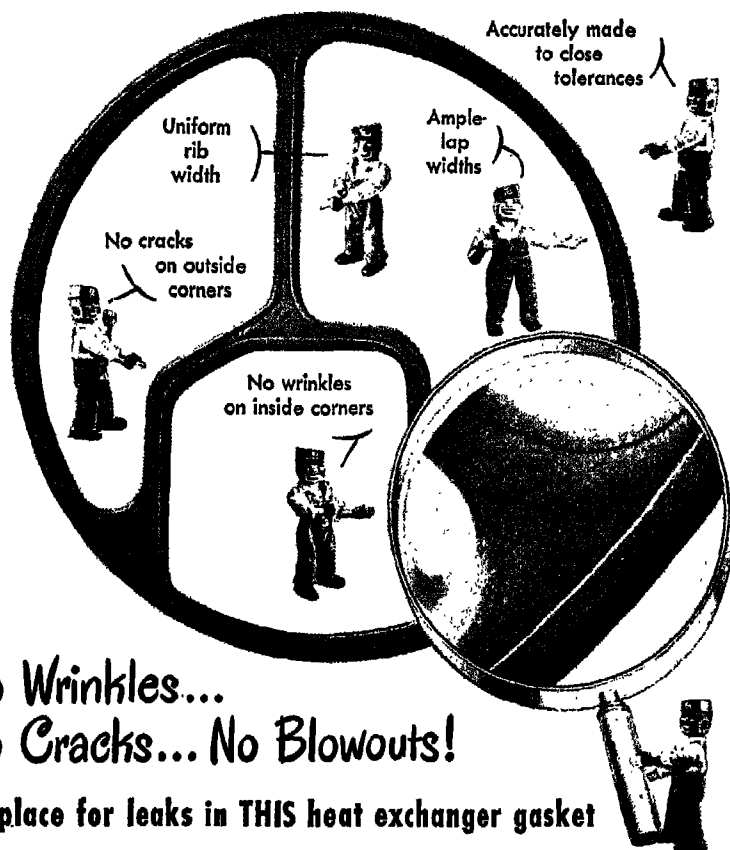
Within a few days you will receive a *genuine* Flexitallic Spiral-Wound Gasket with our compliments. Subject it to the most severe tests—in the laboratory or on the job . . . let your own *experience* tell you why nearly every industry *seriously* concerned with safe seals of high pressures and high temperatures is standardized on *genuine* Flexitallic Gaskets.

FLEXITALLIC GASKET COMPANY
Eighth and Bailey Streets, Camden 2, New Jersey

The name "Flexitallic" is the registered trade mark identifying the original (patented) Spiral-Wound Gasket. Now—for your protection and ours—this trade mark FLEXITALLIC is stamped into the outer ply of every *genuine* Flexitallic Gasket. Your guarantee of quality.



Figure 13-25



**No Wrinkles...
No Cracks... No Blowouts!**

no place for leaks in THIS heat exchanger gasket

TAKE A CLOSE LOOK at the Goetze heat exchanger gasket shown above. Note the absence of cracks on outside corners . . . of wrinkles on inside corners . . . the uniform width of the ribs . . . the generous overlap of the metal jacket.

Attention to such important details is typical of the kind of care that goes into the forming of these custom-made gaskets. It is the secret of their dependable service—why you can count on them to stay on the job indefinitely without leaks

or blowouts. And it's the reason they pay off in terms of less down-time and in the savings that result when gaskets *don't* have to be replaced at frequent intervals.

You can have Goetze heat exchanger gaskets made in any size or shape. Estimates and recommendations will be furnished promptly on request. Write Johns-Manville, Box 290, New York 16, N. Y.



Johns-Manville Goetze Gaskets

Figure 13-26

an exploded view that showed each part separately and in relation to its location in the valve. Another manufacturer used a cross section of one of their valves. Each advertiser identified about the same number of parts.

The exploded technique on a reader-cost basis was 100 per cent more effective than the cross-section technique for initially drawing readers to the advertisement and for arousing their interest to read the copy. It may be that the exploded diagram was better read because the reader could more easily grasp the function and location of each part of the valve.

All-type vs. Comic Figure. While an all-type advertisement may not be the most interesting to look at, it still can be an effective way to present a sales message.

A comparison in *Power*, January, 1950, between Flexitallic (Fig. 13-25), who used all type, and Johns-Manville (Fig. 13-26), who used a "comic" figure in the illustration pointing out advantages of the gasket, shows that each treatment has an advantage of its own. The "comic" figure advertisement on a reader-cost basis was 12 per cent better for stopping people to notice the advertisement. The all-type advertisement was 11 per cent better in holding the interest of the reader to read the copy.

Each type of treatment was performing a slightly different function. Both types were effective, but each in a different way.

Chapter 14: INDUSTRIAL PUBLIC RELATIONS

by John W. Hill

PRESIDENT, HILL & KNOWLTON, INC.

The subject of this one chapter is big enough for a book. It covers the whole United States. For every industry's public relations are a vast web of relations, reaching out from management at the center to touch millions of American lives.

Now there are two ways to make a quick tour through a country. You can get in an automobile and rush through fast, acquiring a sort of bird's-eye view of the high spots. Or you can pick a few locales that hold special interest for you personally, and concentrate there during your brief visit.

The second method has advantages, and it will be the method of this brief discussion.

You have bought a book on "Industrial Advertising." This suggests a safe assumption: You will be most interested at the moment in learning how public relations work is connected with advertising work, and how it usefully supplements it. How can it help promote the sale of industry's products?

Advertising is, of course, a kind of tool. The advertising man uses it to sell merchandise; he is a professional specialist in this kind of sales promotion and also in the use of various supplementary tools, such as market surveys, consumer preference studies, and media studies.

He recognizes also the usefulness of the news columns in supplementing the impact of advertising. Some advertising agencies maintain departments to create what is sometimes called product publicity, as a client service. But in the average advertising agency, this is usually regarded as a secondary operation.

The public relations organization, on the other hand, is a specialist in handling all forms of communication with every conceivable kind of public. It does many other things, too, in helping management create and sell management policy successfully. But, in all its work, its skill in the handling of the tools of communication is of prime importance. And of these tools, news publicity is one of the most useful.

It is the business of a successful public relations man to know what newspapers will print, what magazine editors will accept, what broadcasters are likely to use, what audience reactions can be counted on, what readers and listeners will respond to.

This knowledge is, of course, invaluable to industry. Without it, management is at great disadvantage in handling its complex relationships with employees, stockholders, legislators, consumer groups, and community life.

Using this knowledge for product promotion is only one phase of public relations work on behalf of industry. But it is one that most frequently provides the bridge between the advertising and the public relations departments of an enterprise.

How is it done? And what can public relations do for product promotion that advertising cannot do?

I shall give you a formula in two parts which, when properly applied, has often assured success.

There is no giving away of professional secrets in this account. The trick, if trick there be, is in the know-how of application—as in all professions—and not in the principle involved. The first rule tells you what to do. The second tells you how to go about doing it.

Before outlining the two principles, it is well to have an understanding of what we can *not* expect from product publicity.

Publicity is no substitute for advertising. Advertising has its own particular, specialized function, which any good advertising man will be happy to explain and define. Product publicity and public relations skills in promoting a product serve to support the advertising, to enhance its impact, to take it out of competition, and to increase its return per dollar of investment. But it cannot serve *in lieu* of advertising. That is why able advertising agencies welcome the collaboration of the public relations organization. And that is why the advertising department of a manufacturing company finds the public relations department such a useful ally.

One fundamental difference between advertising and public relations is in the work of product promotion—to state it is trite; to remember it is vital, because it determines all other differences. In advertising, you pay for the opportunity of speaking. In public relations, you must be so interesting or newsworthy that editors and broadcasters accept your material gladly.

This leads directly to our first rule, which is this: In all public relations work for product promotion, you can proceed only by rendering a service. To the novice, the newspaper columns seem crowded with news, the magazines bursting with stories, the air waves alive with talk, the newsreels jammed full. Yet, back of this surface abundance lies an enormous vacuum of need. Each day editors and news executives come freshly to life over morning coffee, to wonder how best to attract and hold and build their next edition's audience. There is never enough really good material to fill the need.

In this fragile business of being interesting to the millions, if your own material will help an editor or broadcaster win his audience it will get a welcome. It will not be welcome on any other terms. Forgetfulness of that fact has proved fatal to many a publicity effort.

The second half of the formula gives the practical recipe for assuring product news that is significant and compelling. It is the key to the news interest that the first part of the formula requires you to provide when you offer copy to an editor.

The key has little to do with fine writing. The premium is on lucidity and brevity. The formula similarly requires no wining and dining of editors and broadcasters. You must, of course, know them well enough to understand their preferences and the focus they use in their material, but no amount of personal friendship will compensate for the lack of genuine interest in the material submitted for release.

The principle involved in the newsworthiness of a product or a trade name is this: It must be *associated* with some subject, or project, or idea, or problem that is of major and current human interest. If you uncover an association that is important, credible, and new, you have important news to offer an editor.

Effective use of the psychological law of association lies at the heart of all sound public relations work. It is in no way limited to product promotion. Association with worthy causes, for instance, can promote trade names, can build corporate reputations for public

service. Pepsi Cola's sponsorship of art contests is an example from this broader, more institutional public relations field. Another is the soap-sculpture contest long sponsored by Ivory Soap. Still another is the model-building contest for youth which Fisher Body conducted for years. In the same category falls the annual Soapbox Derby of General Motors, which gets prominent space in scores of newspapers annually. Restoration of the seventeenth-century Saugus iron works by the steel industry is a similar kind of public relations project. It can help bring to public attention the vast growth and contributions of the steel industry since the first successful furnace was built in the United States more than 300 years ago.

Ford has a project which directly associates its name with safe driving; in many towns Ford dealers lend a car to high schools which give their pupils driving instruction. Avco Manufacturing Corporation, through its Crosley Division, furnishes major appliances to home economics and cooking schools, thus building useful associations in the minds of future homemakers.

Product publicity uses the same association principle.

The various associations that may give a product news significance are as numerous as humanity's problems and ambitions. One of the commonest of all is the fashion association—fashion in dress, in interior decoration, in manners. Millions of words are printed and broadcast about current fashions every year. Fashion starts with people who, by common consent, set patterns which are admirable and emulated. When some of these people are associated with a given product, the product takes on their glamor and news interest.

Certain great industrial organizations, like Du Pont, maintain a special staff engaged solely in promoting the fashion use of various industrial products, and in keeping news and photographs of this use flowing to fashion pages and magazines.

Institutions can be used to set fashions, as well as people. The great hotel industry in the 1920s helped start a whole new trend in interior decoration. And sales of venetian blinds have advanced steadily since Hollywood began showing them in movie sets of modern interiors.

Equally common is the association of a product with the answer to some current human problem. Advertising agencies have long used this in primitive form. "Do you have a problem in keeping a job? Here's what you gargle with." "Do you have a social problem?

Rub on our cream (greaseless) and you'll soon be asked for every dance."

Public relations uses the same formula with far greater finesse, credibility, and impact.

One example was the research that showed how the problem of tooth decay is reduced by use of dibasic ammonium phosphate. The story was published in *Reader's Digest* and became important news. The tie-in of the trade name with this news was safely left to later advertising. Another tooth paste, based on an older formula without the new magic, launched news of more scientific study on the same problem. Mere brushing-after-every-meal was itself a wonderful preventative of tooth decay problems, said this further tooth-paste research. This news, too, was published widely. Here, again, the effective tie-in of the trade name came along with the advertising follow-up.

Is the trade name necessarily omitted from such product-related news? That will depend on various factors, including the nature of the product, the competitive standing of the manufacturer, and—above all—on the nature of the association that is the basis of the news.

The practical application of the formula can be most readily illustrated by outlining a few actual case histories.

CASE HISTORY NO. 1

Belt conveyors have been used in America's heavy industry for years. But there had been no general public interest in, or knowledge of, the larger possibilities of this machine, until one leading company decided to dramatize the belt conveyor by associating it with the idea of *transportation*—a new and economical form of transportation which holds the answer to many of our otherwise unsolved transport problems.

This association had not previously been brought home to the man in the street. When the company established it, it immediately related the belt conveyor to problems that concern millions—ranging from today's crowded city traffic that could be relieved with belt conveyors installed under streets to problems of war transport, where supplies must often be routed over exposed terrain at great cost to life.

In linking the belt conveyor with possible solutions to transport problems in general, the company spoke not only as an authority but as a representative of the entire belt conveyor industry.

A company officer talked in early 1949 to a relatively small but distinguished audience in New York, a conference on time and study methods sponsored jointly by the Society for the Advancement of Management and the American Society of Mechanical Engineers. Some of his proposals for using conveyors to solve metropolitan transport problems were at once so practical and fascinating that after being reported in all the metropolitan press, and by the daily press services, they were incorporated in a feature article syndicated to 600 dailies.

As a result, the company's reputation as a national authority on the subject of belt conveyors was immediately enhanced. The entire industry likewise had cause for feeling gratification. The trade association bulletin for the industry declared: "This seems to us to be wonderful publicity not only for this company, but for the conveying industry in general." This initial publicity later grew into an almost continuous avalanche, as discussions continued.

In all subsequent discussions of the subject, company representatives continue associating belt conveyors with transport problems that are either being solved or require solution in terms of conveyor installations. The discussion is always made in terms of sound engineering principles. The resulting news reflects an astonishing degree of editorial and public interest. Equally gratifying, a flow of inquiries and actual business has resulted directly from this public relations approach, and the sales organization has felt real benefit.

CASE HISTORY NO. 2

This story is about a large manufacturer of thermally curved lenses for inexpensive sunglasses. He also produces optical glass blanks for the trade, and ground and polished, six-base curve, optical lenses. The larger part of his business results from the market for sunglasses sold at reasonable cost in drug stores and other retail outlets.

A threat to his larger business arose when certain manufacturers of expensive ground lenses and members of the optical profession fostered campaigns to persuade people that only a high-cost ground lens product was safe for the eyes. At least one state, Connecticut,

was persuaded to pass legislation forbidding the sale of ordinary sunglasses. There was a movement in Massachusetts to duplicate this kind of legislation.

This, of course, meant that inexpensive eye protection, costing from 25 cents to \$1.50, depending on the frame used, would be taken away from the public wherever such legislation was passed. Furthermore, the legislation passed in one or two key states could then be used as the basis for other campaigns advocating similar legislation all over the country. For one company to fight such an attack, round by round throughout the nation, seemed a costly and perhaps hopeless undertaking.

The solution to effect action was relatively simple. It was based, at the start, on a scientific study made in a leading medical school.

It was found in this study that sunglasses are an almost universal human need in the summer sun, "the darker, the better"; that farmers, city dwellers, and sun bathers are all equally exposed to eye dangers; that flat lenses protect eyes as well as curved ones; that the flat ones do no possible harm. "There is no objection to people buying \$5.00 sunglasses," was one of the conclusions. "But we do object to their being told that 18-cent glasses will harm them."

Such research, when reported to a meeting of the Optical Society of America, in Buffalo, was widely quoted. *Newsweek*, as well as newspapers, gave it generous space; an Associated Press dispatch put the news on the wires; even editorials resulted. When further reports appeared on the subject, *Time* gave the material more than a column; other popular magazines used it for the basis of feature articles; influential periodicals like *Parent's Magazine* and *Cappers Farmer* took up the story; and—most important—the more erudite professional publications also began to consider the subject seriously. Interestingly enough, this flood of news material was an important influence in convincing Massachusetts legislators that they should not duplicate Connecticut's legislation.

What was the idea, the association, that made this subject of plain glass lenses so newsworthy? It was simply the need of *everybody* to protect his eyes in summer, and his corresponding need to do this as inexpensively as possible.

Inexpensive lenses were presented as the safe answer to a universal problem.

In making news material like this available to editors, and by sending it to the trade, the company concerned has inevitably earned great prestige for leadership in its field and has made its name outstanding.

CASE HISTORY NO. 3

One of the most difficult associations to effect—yet one of the most effective, when achieved—is the *astonishment* tie-in.

If you can successfully link a product or service with something astonishing and dramatic, resulting publicity will be almost sure-fire.

It is easy to fail—whether through lack of proper timing, adequate planning, enough imaginative daring, or any one of a possible dozen ingredients required by the recipe. Even experienced Broadway producers can never feel sure, in advance, that they have a dramatic hit on their hands.

The introduction of the 1950 Crosley line, in late 1949, showed how useful publicity can be when it successfully supports advertising in a merchandising campaign.

Crosley, a division of Avco Manufacturing Corporation, produces a famous line of radios, Shelvador refrigerators, and kitchen equipment. The showing of the 1950 line was advanced from early spring to late fall of the previous year. This fact, when added to an ordinary news announcement of mechanical improvements offered in the new models, might have been worth two paragraphs of space in a newspaper. What, then, was the theme to be stressed? Where was the focus of major human interest? What was the element that could be brought to a climax of extraordinary human appeal?

Crosley offered prizes totaling two million dollars to those who visited Crosley dealers and then wrote the best letters on why they wanted a Crosley refrigerator. This announcement was a major theme of the advertising. But was this great prize contest, in itself, a sufficient foundation for the publicity program? Not quite. Just as the country in 1949 was rich in production of radios and refrigerators, so was it also supplied abundantly with prize contests. Where, then, was the drama?

The real drama, as finally revealed in the publicity spotlight, lay in the big selling campaign itself—in Crosley's determination to sell more of its products than ever before in history, and to accomplish this through an astonishing sales campaign that would dwarf all

previous efforts by comparison and use every promotion device known to man.

And this was the dramatic theme that the astute editors of *Life* seized on, when they devoted four full news pages to pictures of Crosley's great sales meeting in New York's Hotel Commodore. Such news recognition of a piece of product promotion was, to say the least, unusual.

The New York show was only one climax in a national series. The drama started in Cincinnati, with a great sales show for Crosley dealers in that area; in the course of it Sales Manager William Blees talked on a simultaneous telephone hookup to 87 Crosley distributors in other cities.

Immediately afterward, the show and all its props were packed in trucks and hauled around to 20 cities from coast to coast—"exactly like the circus," said the widely used news releases. News photographs showed trucks packed with actors, musicians, new refrigerators, and salesmen; while captions spoke of "an old-fashioned sales campaign—faintly reminiscent of by-gone medicine shows, revived and dressed up in modern garb in an effort to peddle more Crosley radios and refrigerators."

Even the frank nonchalance of the language was engaging.

The presentation in New York, news capital of the world, started with a special showing of brand new Crosley products, staged in the Commodore Ballroom, for members of the press. Thereafter came luncheon; then a presentation of the sales show in Carnegie Hall, where some 1,500 Crosley dealers assembled.

What was there about this strictly commercial promotion that made it seize the imagination of all concerned, and result in such extraordinary publicity?

The sheer scope and size of it captured popular fancy, together with the daring of men who boldly believed that another new model of anything could be worth such excitement in this blasé world.

A large number of lavish details were used to suggest the dramatic importance of the occasion. One of the exciting moments arrived with the showing of two million dollars in prize money, all in cash, in bills of low denomination that filled an entire refrigerator.

The campaign succeeded at every point because each detail was carefully organized with similar care to create surprise and drama.

The company and its executives received letters of congratulation from all over the country. When newspapers finally carried announcements of the prize winners in some 60 cities, one of Crosley's problems was to keep up with the demand for its 1950 line. Needless to say, one of the most important effects of the national magazine story in *Life* was greatly increased prestige for Crosley and its products.

CASE HISTORY NO. 4

A new service that is a new answer to a wide human need is as newsworthy as a product performing the same function. National Airlines proved this, in the face of heavy and expert competition, when it offered springtime "piggy bank" vacations in Florida as "a millionaire's vacation on a piggy bank budget."

G. T. Baker, President, and Walter Sternberg, Vice-President in charge of sales, worked out a novel program of de luxe vacations at a price in the range of practically everybody's finances. For \$120.55, National furnished a round-trip flight between Miami and New York, 7 days at a top ocean-front hotel, fishing trip, night club visit, sightseeing tour, and all sorts of side services. Anyone without available savings but with a regular job could buy the package tour just by dropping in at a National office, mentioning the amount he needed—including an allowance for vacation clothes if required—and signing an application. A few days later he would get a check from a bank, with best wishes for a pleasant trip. "Florida in spring has everything" headlined the advertising. Color slide films advertised the new service to clubs and groups of sales girls and stenographers; direct mail was used to send out literature to selected lists; displays including giant piggy banks were designed for windows and tourist agents' counters.

Among the most extraordinary results of this package trip plan was the interest which editors perceived in the news, and the space which they accorded it. *Newsweek*, for instance, gave it almost a page under the headline, "National Winging Along." The need for this new kind of service was evidenced in the 20,000 requests for information that flowed in during the first month after the plan was inaugurated.

The news itself had not just one, but two significant associations which made it of wide interest. One of them was, of course, derived

from National's new solution to an old problem—how to get the finest vacation for the least money. Easterners could now fly 1,100 miles and spend no more than in crowded northern resorts. Of equal interest was the fact that the news concerned the dynamic and ingenious fight of a rapidly growing airline to develop more business—and everybody loves a chance to applaud a good clean fight for a good cause.

One important public relations result of the campaign was the opportunity it afforded National Airlines to let Florida communities know how much the company was doing to create new business for Florida in the slack late spring and summer seasons. In this wise, National made many new friends.

There is no limit to the number of case histories that could be set down to illustrate successful use of the association principle for revealing, in an ordinary product, unique news significance and interest.

One detail is worth adding, as regards news of heavy industrial products. There is a tendency, in some industries, to think that such news is suitable only for trade journals. This attitude is especially frequent when the product is sold primarily to basic industry. But this limitation does not hold if the product has any significance that will relate it to the wide interests of the general public.

The manufacturer of conveyor belts, for instance, regarded every newspaper and magazine as a trade publication for his purposes. A great belt conveyor sells for millions of dollars. Potential buyers are certainly likely to read the *New York Times*, or *Time*, or the *Wall Street Journal*, whether or not they read publications devoted exclusively to industrial news.

Another fact is germane here. If a company is building itself a national reputation, it will emerge into public awareness far more swiftly when the pages of great newspapers and national magazines, as well as trade journal columns, tell its story.

This, of course, reflects in no way on the wide usefulness of the trade journal, which is one of the great developments in modern communication. As a group, trade journal editors are among the best informed men in the business community. Every public relations man who works for industry can learn much from his personal contacts with them; and unless he can earn their interest and respect

with the news material he makes available for their pages, his work with publications of more general interest will always lack a solid foundation.

Public relations started as press agency. Today there are still a few who think of it as a high-flown label for the opportunistic press agency of yesteryear. Nothing could be further from the truth. The art of human communication can never become a science, for the humanity with which it deals eludes deterministic forces. But it has at least become, in our day, a great art—one established on the basis of some firm principles, and practiced in accord with theories that have been tested and retested and which have proved themselves.

It is probably not an exaggeration to say that all government, all enterprise, and all individual work will stand or fall on the question of how successfully it practices sound public relations principles. Elsewhere I have written:¹

When any management regards public relations as only a kind of product promotion, it has missed the basic point. It misses the point equally if it views public relations as a device for making a "good story" out of whatever may transpire. Stories woven of tinsel soon tarnish. . . . No profession today calls for more basic understanding of the complex laws that lie behind the workings of our economy, the development of public opinion, the shifts in political trends, the changing attitudes that work to revolutionize the meaning and status of institutions in our society.

That statement is worth reemphasis here. These pages have been focused on product promotion not because it is in any sense the heart of modern public relations work, but because it is the window through which so many advertising men take their first look at some of the principles which operate to make public relations a practical art—an art of force and power.

¹ "Your Public Relations," ed. Glenn Griswold and Denny Griswold, Funk & Wagnalls Company, New York, p. 84.

Chapter 15: CASE HISTORIES IN INDUSTRIAL ADVERTISING

by Jack Lane

ASSOCIATE EDITOR, TIDE

INTRODUCING A NEW PRODUCT

Case Study Ad Program Meets a Sales Challenge. Many industrial advertisers have used the case study means of advertising their products, but few have accomplished their objectives through this system as well as the Dravo Corporation for its Counterflo direct-fired space heaters. When the company first began to market this new type of heater about 2 years ago, it faced strong competition mostly from makers of wet-type heating systems. Dravo advertising and promotion for its Counterflo heaters carried thought-provoking messages that caused the reader to ask himself: "Why don't I use Dravo equipment?"

The program had three basic objectives:

1. Creating a preference among prospective users of hot-air heating in industrial plants and commercial establishments over the more conventional wet-type systems.
2. Creating a preference for Dravo Counterflo heaters over other hot-air units selling at a lower initial cost than Dravo equipment.
3. Convincing the Dravo salesmen and distributor salesmen of the value of hot-air heating as opposed to the wet method. (Many salesmen had years of experience with wet-type systems.)

Dravo developed a seven-point program, using as a base the presentation of case histories. The points: case studies, syndicated releases, case study reports, business publication advertising, direct mail, the *Dravo Review*, and sales promotion literature.

Each case study was a comprehensive report in the user's own

words, submitted exclusively to one leading publication in each pertinent field. These studies were also printed in a distinctive format and given to salesmen and distributors to use as sales aids. They pin-pointed the type of industry, type of heating problem involved, and the solution to it.

Syndicated releases were submitted to all other publications in pertinent fields after the exclusive article had been published. Business-publication advertisements were carefully coordinated to the press and sales material reprints of the technical articles and of publication advertisements. Together with specially prepared broadsides, these were used extensively in the direct-mail campaigns.

Dravo's external house organ, the *Dravo Review*, carried a whole string of important stories liberally sprinkled with pictures. Without any attempt to pin-point specific installations, as in the other segments of the seven-step program, the case study material on a number of subjects was incorporated in single bulletins.

In addition to the general campaign, Dravo exhibited at trade shows, held a midyear sales meeting spotlighting the Counterflo heater, and brought out a special eight-page promotional bulletin to tie in with the steel conservation program.

Advertising department personnel paid frequent visits to the franchised distributors and looked for unusual installations which might lend themselves to the case-history method of presentation.

The company also produced a stream of free newspaper and magazine mats and bombarded distributors with sample letters and other sales promotional material. In less than a year's time sales showed an increase of 103 per cent. Inquiries traceable to advertising, sales promotion, and publicity totaled 2,065, and sales traceable to these inquiries amounted to a very substantial figure.

Dravo's program was a thorough and complicated one, yet the company says that it proved economical. This is an excellent study of a campaign which required very close liaison between advertising and sales management. The manager of the heating department said: "I have worked very closely with your [advertising] department, but I did not fully realize until now how indispensable advertising is in our sales program."

Establishing New Products. Plastics manufacturers have had the problem of convincing potential users that plastics are not substitute

materials and that they can be applied to a myriad of uses in which they perform better than other more well-known materials.

The Naugatuck chemical division of the United States Rubber Company is one of those manufacturers that has beaten down the psychological barriers—and much of the credit goes to sound industrial advertising.

Naugatuck makes three different plastics and, last year, planned a long-range program for each of the three, plus an institutional program. Starting with a small industrial advertising budget, the division now spends about \$200,000 yearly to tell plastics users about the quality products and how they can be applied in new ways.

A typical ad for Vibrin polyester resins shows an automobile jig-saw puzzle with a few pieces left to be put in place. The headline reads: "Who'll put tomorrow's cars together?" Copy explains that the automotive world has already seen its first polyester roadster body, and then poses the question: "Does this mean your car of the future will have 'Body by Vibrin'?"

A new Naugatuck headline approach is: "Why doesn't somebody invent one?" Then it lists products such as flexible ice buckets and outdoor furniture that never needs painting. The ad answers its own questions, says that somebody does make such products, and gives a brief "case history" of how the plastic item was developed. The company now sells all it can produce and has an extensive expansion program under way.

"D" Day for a New Product. In 1950, Carboloy, a department of General Electric Company, old in the business of making top quality masonry drills, prepared to market its newest product, the Carboloy Live-Spiral. The new drill utilized a principle that was revolutionary in its field and the company knew from tests that it would give better performance than any masonry drill made up to that time.

The new drill is tipped with Carboloy cemented carbide and has a "live spiral" of steel wire forming a flute on its shank which removes dust from the hole as it drills. This new design permits continuous drilling. To introduce and gain quick acceptance for the drill, Carboloy broke its marketing and sales problem down into four objectives:

1. Sign up as many qualified new jobbers as possible to handle the new product.

2. Increase the company's sale of masonry drills over 1949 sales and maintain leadership in the carbide drill field.
3. Encourage as many inquiries as possible from distributors and jobbers.
4. Make the Live-Spiral drill the best-known name in masonry drills.

This complex problem was accomplished by the use of four media: business publications, direct mail, special letters, and publicity.

The magazine advertising was divided among four business publications with 11 insertions and five consumer publications with 18 insertions. Ads also were scheduled in two product directories.

For the first two months of the campaign, two-color full-page ads ran in key publications and, for the balance of the year, fractional pages in one and two colors were used. All full-page ads carried keyed coupons.

The direct-mail program consisted of five mailings. The first one was a two-color broadside mailed to the company's list of 3,150 distributors and jobbers. In addition to the broadside those on the list who were already Carboloy jobbers, and a few key prospects, received a sample drill, a letter from Carboloy's sales manager, a special order blank, and a catalogue sheet. The broadside to other jobbers and prospects carried a return postcard that offered a sample drill and complete information on resale promotion.

The second mailing, a little more than a month later, went to all names on the original list that had not sent in an order as the result of the first mailing. The letter had attached to it a spiral spring, a descriptive stuffer, and a self-mailing order blank.

More than 3 months later, a letter over the signature of the sales manager was sent to the entire list of Carboloy customers and prospects. It told them about the tremendous response to the new drill. It urged the jobber to order display cards, catalogue sheets, envelope stuffers, drill-size sheets, and electros and mats of drills and drill applications.

The fourth mailing came hard on the heels of the third. It urged jobbers who had not already ordered the new drills to start getting their share of this "million dollar market." It told again the story of the revolutionary features of the drill and proudly stated "Carbo-

loy masonry drill sales jumped 100% within 30 days after the announcement of these sensational new drills. . . . Over 50% of our jobbers reordered during the second month."

The final mailing was sent to jobbers who had not yet ordered and it tied in with the magazine advertising. Again, it pushed a trial offer, and sheets showing sales results and ordering information were enclosed, plus a return postcard.

A wide variety of special letters was used for handling inquiries and following up individual jobbers, dealers, and industrial consumers. Publicity about the new product and the success it was enjoying in mounting sales steadily increased throughout the year.

This almost classic example of well-planned, carefully coordinated industrial advertising resulted in a 95 per cent increase in sales the first year. And advertising inquiries increased 332 per cent over the previous year. It won for Carboloy a "Topper" award in the 1951 competition of the National Industrial Advertisers Association.

Marketing a New Product. Manufacturers always face a knotty problem when readying a new product for marketing. This problem is accentuated when the product sells at a premium price to a market that has been accustomed to a standard or lower price.

In 1949 the United States Steel Company prepared to introduce its high-priced MX free-machining screw stock. For years, steel fabricators had been well satisfied with the standard screw stock produced by United States Steel and various other manufacturers. The company surveyed the problem and determined that there were two major factors with which it must contend:

1. Steel fabricators must be convinced of the superior qualities of MX steel and be shown how it was profitable to use it.
2. Nearly all this type of steel is sold through independent cold drawers. Hence nearly all the sales effort had to be made by advertising.

The company then broke down the users of screw stock into two groups. The first group manufactures products on high-speed automatic screw machines and lathes. The second group does not mass-produce, but usually has small, highly specialized production of finished goods made on engine lathes or other manually operated machines.

It seemed reasonable to United States Steel that the second group normally has no demand for free-machining stock, but that the first group was the potential market for MX.

The backbone of the advertising campaign consisted of insertions in business publications. Two-color spreads were scheduled for the *American Machinist* and *Screw Machine Engineering*; four similar spreads were scheduled for *Iron Age* and *Steel*. The ad copy bluntly stated that MX steel "consistently out-performs" the standard stock manufactured by the company. All ads emphasized better results and lower costs. Actual production analyses were shown with finished parts illustrated; and the copy explained the type and size of steel used, part name, kind of machine, operations involved, and cutting media used.

There are only 14 distributors of this particular type of steel and they received direct mailings that announced the ad campaign, enclosing preprints of the ads, and offering imprinted copies and envelope enclosures.

Dealers received ad preprints and envelope stuffers too, plus an eight-page booklet, all imprinted with their names for use in local-level promotion.

The final phase of the program was technical publicity. Engineers of some of the cold-drawing firms and United States Steel technicians wrote articles for various metals and steel-working magazines. They told how the new steel had been developed and how it had been practically applied by specific users. Reprints of these articles were widely distributed to screw-stock users.

The results were significant. Now all the 14 distributors sell MX steel. They have used more than 50,000 reprints of the ads in their own promotion programs, reflecting in a steady, if not spectacular, gain.

Advertising expenditures and sales of MX steel have climbed steadily since the product was introduced. Of great significance is the fact that, despite the great and steady increases in sales, there has been no additional steel tonnage coming out of the mills, proving that the users of MX have switched from a standard steel.

A New Product—A Skeptical Market. About 3 years ago, the plastics division of Canadian Industries, Ltd., was ready to market nylon paint bristles, much needed because of the Manchurian hog-bristles

shortage caused by the communist grip on China. CIL knew that its synthetic bristles were superior to the natural product, but the company also knew that it faced an ultraconservative trade that already had experienced unpleasant failures with inferior wartime nylon bristles. So, the company had the bristles and three problems:

1. Convincing brush manufacturers to produce the superior nylon-bristled brush.
2. Building up demand among painters, contractors, maintenance men, and the general public.
3. Convincing retailers, wholesalers, hardware outlets, and trade contact men that these bristles were an entirely different article from the wartime product.

To further stiffen the problem, the advertising department was expected to accomplish its objectives with a limited budget; thus, all efforts had to be pin-pointed.

The company's first step was to hold a series of meetings throughout Canada with brush manufacturers, wholesalers, distributors, and master painting and contracting groups in the major cities. A demonstration kit with sliding panels that visually presented the upcoming ads provided the spadework.

Then the company persuaded three Canadian brushmakers to produce the nylon brushes in quantity and agreed to promote them with ads, mailings to the trade, and other promotions. A giant broadside was first mailed to 5,000 hardware retailers, department stores, and paint dealers. Additional mailings to the same group went out in the next 3 months, paving the way for salesmen to take orders for spring stock.

A trade character, "Toughie Bristle," was created and used in most of the mailings, including a blotter that was sent to the full trade list. The company arranged to have the brush manufacturers attach a small booklet to each nylon brush that explained in English and French how they should be cared for and why they were better.

Trade magazine ads backed up the promotions, and reprints of the ads were mailed out to the original list of 5,000. CIL's assistant sales manager addressed a letter to "Our friends in the paint brush industry," briefly describing the over-all campaign and pointing up the importance of an aggressive advertising and sales promotion program.

Then Canadian Industries prepared a series of four illustrated folders telling the story of nylon bristles, and mailed them out at 3-week intervals to a list of 15,000. These folders included an entry form for a "Toughie Bristle" contest which offered 10 prizes of \$25 each to 10 lucky purchasers of nylon-bristled paint brushes and 10 duplicate prizes to the clerks who sold them. Contestants were asked to rate eight paint-brush features in order of importance and the judges were old "master painters." Simultaneously, retailers were invited to enter another contest which offered 10 prizes of \$50 each for the best window display in each province using Canadian Industries material.

Then, some 6,000 retailers received promotion kits that CIL billed as "the largest promotion ever put behind paint brushes in Canada." The kits contained point-of-purchase display material, booklets on paint-brush care, entry forms for the contest, samples of ads appearing in the trade publications, a calendar card, and a "brush keeper" for storing brushes when not in use.

At this point, the company began to use radio commercials and a few color ads in consumer publications. Throughout the entire campaign, CIL made it clear that it did not make paint brushes but only the nylon bristles which the manufacturer could use to fit into his own design and specifications.

The campaign's results can be measured by a "best of industry" award in the 1950 DMAA direct-mail contest and a survey made by Gruneau Research, Ltd. Gruneau interviewed over 500 people in the industry and found that 75.2 per cent of all outlets contacted had nylon-bristled brushes in stock representing seven brushmakers. Further, 58.3 per cent of the retailers reported favorable comments from customers, and another 60 per cent said that customers told them they would buy this type of brush again.

Creating a Market for a New Product. In the early 1940s, Buckeye Laboratories, Cleveland, had a fine product and a plant to make it in, but they had no sales force, no specific market, no recognition. Production was not standardized. Buckeye first sold a machine and then built it to order.

The product was a machine for treating oil in a vacuum. It took almost everything out of oil that did not belong in it. The Buckeye

process cleaned, dehydrated, degasified, and stabilized oil in transformers, vacuum pumps, etc.

Buckeye's big problem was to establish recognition with the greatest possible number of prospects as a prelude to organizing a sales force and putting it to work.

The strongest market was that of industries using electrical transformers. Therefore Buckeye standardized production on a machine to condition transformer oil, named it the Hydrovolifier, and built it in three practical sizes.

Next, the company had to form a good national sales force and give that force some leads to work on. They put this job up to advertising. Advertising had to show manufacturers' sales agents what the Hydrovolifier could do—and assure them that it would get aggressive promotion. Then, good agents would make inquiries. Advertising also had to stimulate inquiries from transformer men, so that the new sales representatives would have leads to follow.

In short, Buckeye wanted advertising to put the company in a position to pick and choose the strongest sales agents and to furnish these agents with strong sales leads. Both these jobs could have been done "by hand"—by writing letters and making calls—but it would have been an ineffectual and slow process. So advertising's ability was used to make calls in mass.

Copy had to be factual, clear, convincing. Above all, it had to explain what the machine would do. The first ad was a black-and-white spread. It was a good puller and brought inquiries from utilities, industrial plants, and manufacturers' sales agents. Following its publication, Buckeye signed with eight top sales agents and continued to run an ad each month.

When the company's fiscal year ended 8 months later, gross sales hardly covered front office salaries. But inquiries had piled up and Buckeye had a top sales representative covering every important market in the country. In the second year gross sales went up around 700 per cent.

Within the remarkably short period of 3 years, Buckeye Laboratories, using advertising as its chief tool, put production on a profitable basis.

Prize Contest Names New Product. To introduce its new postwar model of distribution transformer, Pennsylvania Transformer Com-

pany staged a name contest with money prizes. This was a notable change from the kind of industry procedure often followed by which, when they want to announce new technical specifications, industry men usually read papers in association meetings and tell their salesmen to spread the word.

But Pennsylvania Transformer wanted something faster than the old "hand" method. To promote the contest three insertions were run in two business papers, two spreads and a single page. The second spread was a repetition of the first. These three insertions pulled some 5,000 entries and provided an appropriate name for the transformer: "Pole Star." This example contains some advertising lessons worth noting:

1. The company is convinced that without its "regular" advertising doing its year-in-and-year-out job, the contest would not have pulled so powerfully.

2. You don't have to rule out your imagination when writing ads for industrial papers. Readers want facts and information helpful on the job, but they're responsive to new approaches, like anybody else.

3. Repeat ads are effective. The repeat insertion of the spread ad out-pulled its first publication.

4. Good industrial advertising is a versatile salesman: over the years it works hard to build a strong foundation and make selling easier. It can also jump in and do an emergency job when necessary.

Introducing a New Product. Quite a few years ago, a Simplex Wire & Cable Company chemist figured out how to produce a *rubber-sheathed* electrical cable for heavy industrial use. Up to then everybody had used cables covered with braided cotton. The new cable was a great deal tougher, more flexible, longer wearing, and safer. That was the day Simplex advertising had to go to work.

Before this, every Simplex ad looked alike—antiquated and lifeless, with a couple of Grecian columns and a few products listed. As a matter of fact, they were written in spare time by one of the engineers who couldn't get out of it. The avowed purpose was merely to "keep the name before the public."

Now, suddenly, Simplex advertising had a big job to do—a job of rather frightening importance and very little time in which to do

it. It had to overcome an acceptance as old as the industry, the traditional cotton-covered cable. It had to work fast to get the new cable solidly into the market before competitors came up with a product of comparable utility.

The strongest business papers covering Simplex markets carried the load, backed up by the resourceful use of direct mail. Out went the musty Greek columns; in came functional product illustrations. Out went the casual "keep-the-name-before-the-public" copy; in came a clear explanation of what the new cable would do, why it would perform better, how it would solve problems.

Simplex bought and compiled lists of men who were influential in safety inspection, purchasing, etc., and sent reprints of the ads, letters, and samples in a well-planned follow-up series.

Within 2 years a technical journal could say, offhandedly: ". . . the new rubber-covered cable, which has practically replaced the old type cotton braid . . ." A little later Simplex voluntarily revealed to its competitors the technical process by which the new cable was made.

Since then, all Simplex advertising has been functional, hard-working copy.

Another New Product. A few years ago, the Elliott Company, Ridgeway, Pa., introduced a brand-new motor. It was lighter in weight, ran more efficiently, was easier to get at, and presented handsome streamlining which was a "new look" in motors.

But two big selling tools were needed in a hurry:

1. A name to set the new motor distinctly apart from Elliott's former model. It had to be descriptive, catchy, easy to remember.

2. A fanfare introduction. Since it was something new in motors, Elliott wanted the engineering fraternity to sit up and take notice. After that, of course, they needed good consistent advertising to make sure the Elliott salesmen would find the trail at least partially cleared.

They came up with a good name: Fabri-Steel. It described the new streamlined housing and expressed lightness and modern design. Then Elliott introduced it with an impressive display at the Electrical Engineer's Exposition in New York, and supported it with well-placed publicity.

After that, Elliott concentrated on the strongest market, electric utilities, and scheduled two-color spreads and pages in the strongest business papers serving that market. Here the facts would reach the men most influential in utilities. In addition they would reach electrical engineers in industrial plants and consulting electrical engineers, both highly influential in the selection and purchase of motors.

It was carefully determined that the basic value of the advertising would not depend upon direct inquiries, or on immediate dollars and cents return through sales. Its real job was to plant Fabri-Steel *in the minds* of the men who count most in Elliott's strongest market.

There's no yardstick for measuring the depth of actual impressions in the minds of industry men, especially in the first 2 years. But Elliott is sure of sound results. They have adapted Fabri-Steel to name all their welded products. And sales among the utility and industrial markets are healthy and growing.

Opening New Markets. When the Okonite Company, Passaic, N.J., introduced its new cable, Okoprene, to the market in 1939, it used advertising to help overcome the wall of buying resistance built by the natural tendency of fact-minded industry men to rely on equipment already proven in service. Okonite also used advertising to open up new markets.

Today, Okoprene is at the top in industry recognition, acceptance, and sales. Other major manufacturers of cable have adopted its basic synthetic ingredient. By far the majority of Okonite's cables today are Okoprene-protected. In a few years an unknown, unaccepted product climbed to industry leadership. That is a notable sales accomplishment.

Every step in Okoprene's hard-won progress from ugly duckling to star performer was built on skillful advertising. The Okonite Company used its strongest business paper, not only to cover and penetrate its primary market, but also to seek out and sell its secondary markets.

The first market Okonite wanted to sell was the utilities. With business papers, direct mail, and hard personal selling they won acceptance here for their new cable. Their secondary markets were

the electrical installations in industrial plants: petroleum, chemical plants, etc. The business paper advertising aimed at the utilities also reached electrical engineers in these industrial plants. And as inquiries or other leads were received from industry, Okonite followed up with special advertising aimed at these individual secondary markets.

A New Product Uncovers New Markets. In 1943, Bentley-Harris Mfg. Co., Conshohocken, Pa., developed an electric sleeving using Fiberglas. It had appreciable advantages over most sleeveings then on the market. It was as flexible as a piece of twine, it would not fray apart at the ends, it would not support combustion, and it would resist heat up to 1200 degrees.

All these attributes made BH sleeving highly useful and desirable, simply because it could solve a lot of problems in the assembly of electrical products—it would last longer, resist higher heat, and bend at any angle without cracking.

Bentley-Harris had a needed product here. Its problem was one of marketing and sales organization. The new sleeving could be used in so many places and for so many purposes that there were actually no specific places to look for sales. There was no way to know, with any degree of certainty, where the best markets were to be cultivated. At the same time, prospective customers were everywhere.

The company decided that the answer to this problem was to tell as many men as possible, in all branches of the electrical industry, *exactly* what this new product could do. At the same time they would invite inquiries. They wanted to hear from electrical men who could put BH sleeving to work on different products; who would be giving it different uses and uncovering new markets.

They assigned the job to advertising. To be effective, copy had to show clearly the advantages of BH sleeving in doing *one* specific job, solving *one* definite problem. It would point out that the sleeving would work just as well on many other products in solving similar problems, and would invite industry men to fill out a coupon for samples, specifications, etc.

A steady and satisfying flow of inquiries developed during the first year and speeded up slightly during the second. The third year rang the bell—letters of inquiry were up 72 per cent over the first

year of advertising. The fourth year was again substantially ahead of the third.

Inquiries in themselves can mean very little, but with Bentley-Harris they were highly important, simply because the company averaged a solid 22 per cent in converting inquiries into sales.

After 4½ years, with gross business on sleeveings some 500 per cent above what it was before the advertising was started, Bentley-Harris figured that 85 per cent of their new accounts actually introduced new application for the sleeving—found new ways to put it to work.

To do this job, Bentley-Harris used schedules in five business papers.

"All-out" Effort to Introduce New Product. Recently, the Nordstrom valve Division of Rockwell Mfg. Co. prepared to market a new valve lubricant. After surveying the market, Nordstrom decided on a high-gear approach that would gain quick acceptance for the new product.

The lubricant was named Hypermatic and a separate promotional budget was set up for it. The opening ads ran in Nordstrom's regularly scheduled string of trade publications, supplemented by insertions in petroleum, gas, chemical, and general engineering magazines.

The copy heralded the new lubricant as "the greatest advancement in the valve industry since the invention of the Nordstrom valves 30 years ago." Artwork was dramatic and eye-catching, mostly in two-color spreads.

At the same time, the company set up press conferences in Chicago, Los Angeles, and New York to demonstrate the new lubricant. Then followed demonstrations before operating personnel of customer companies in a 17-city circuit. Meantime, regional meetings across the country educated the sales force on the lubricant's use, and salesmen were outfitted with a plastic demonstration valve and specially cased lubricant samples. Distributors got the usual supply of direct-mailers and point-of-sale display material, and trade show exhibits were built around the new product.

Three months after the campaign started, a field survey showed that 70 per cent of Nordstrom's customers and prospects knew about the product and how it worked, and associated it with Nordstrom. The introductory promotion slacked off and the lubricant is now advertised along with other Nordstrom products.

MEASUREMENT AND IDENTIFICATION

How Long Is an Ad Effective? The Landis Tool Co., Waynesboro, Pa., ran a double-page, two-color spread in four metalworking publications at the same time to educate customers and prospects in better grinding methods. The ad illustrated a handbook on "Precision Grinding" and carried an outline of its informative contents.

At the end of a 30-week period, 3,240 requests traceable to the four metalworking publications had been received and more were still coming in. Nine months after the original ad appeared, the same four publications were used again to run a similar ad. This time the copy was slightly different, but the same booklet was offered. After 3 months, when the count was discontinued, over 2,600 inquiries had been received from this repeat offer.

The combined paid and controlled circulation of the four publications at the time of the advertising campaign was 90,187. Inquiries received from the two ads totaled 5,840. This total represents a 5 per cent response, indicating the high level of reader interest in informative business paper advertising.

Maintaining Competitive Position and Identity. The Ohio Brass Company, Mansfield, Ohio, uses advertising to build and maintain its competitive position in the market. It writes copy to do this job and keeps close check on results.

Ohio Brass sells insulators to utilities and to heavy industry. Long ago the company recognized that in utilities and heavy industry there are thousands of influential men throughout the operating personnel. These are the men in the field—the operating men who keep an eye on the way equipment performs on the job. They constantly make recommendations based on performance data, and these recommendations often set their company's buying standards.

The company's salesmen do a thorough job in contacting and selling the men who actually do the purchasing. Advertising is assigned the job of justifying this decision among all the operating men whose experience exerts a strong influence on purchasing. If these men are strongly aware of Ohio Brass's performance records, that is good insurance for the company's position in its field.

Now, when you have an objective as broad as this one, how can

you gauge results? How do you try to determine whether your advertising is doing its work?

At regular intervals Ohio Brass makes surveys in the industry to measure the recognition of its advertising. For example an Ohio Brass advertisement, with all identification blocked out, was mailed to 1,000 industry men who were asked to identify the manufacturer. The mailing was repeated four times in the course of a year, each time to a different list.

These and similar studies, made regularly, have revealed to Ohio Brass that their advertising works. Up to 90 per cent of the men replying have identified the advertiser as Ohio Brass.

Increasing Product Recognition. How advertising can increase recognition of a manufacturer's product was shown in a survey made for the Harnischfeger Corporation by McGraw-Hill Research. The effectiveness of one advertisement run by Harnischfeger in *Business Week* was measured.

Readers who had an opportunity to see the advertisement for the manufacturer's products showed an average recognition of all products nearly twice as high as readers who could not have seen the manufacturer's advertising. *Business Week* was the only publication where this ad appeared at the time of the survey.

A cross section of *Business Week* readers checked on a questionnaire the products which they knew were manufactured by Harnischfeger. The issue of the magazine in which the ad appeared and the questionnaires were mailed at nearly the same time. Of the 551 replies received in the survey, 186 were postmarked before the issue of *Business Week* could have been received, and 365 replies were mailed after receipt of the magazine. The readers who could have seen the ad were 95 per cent more familiar with Harnischfeger, as a manufacturer for the products listed, than those who had not seen the ad.

Product Recognition Increased 74 Per Cent in Two Years. Before the Pennsylvania Salt Mfg. Co. began advertising in a national business magazine, a random group of subscribers was checked to determine how many recognized Pennsylvania Salt as a chemical manufacturer. Of the respondents, 28.2 per cent said they did. After the advertising campaign had run for a year, 40.9 per cent of the same people

identified it as a chemical manufacturer. After 2 years the percentage of recognition went up to 49.1 per cent.

The survey was made three times in a 2-year period. Only the answers of the 110 people who responded to each questionnaire were used as a basis of comparison. The same questionnaire was used each year. It was a simple return postcard asking: "Please check those of the following companies which you definitely know to be manufacturers of chemicals." Ten manufacturers (five of whom, including Pennsylvania Salt, were chemical manufacturers) were listed.

These surveys demonstrate that advertising built for Pennsylvania an increasing degree of recognition, a basic step for improving their sales and marketing position.

Increasing Product Recognition in an Existing Market. The value of continuity in advertising was demonstrated in a series of three surveys conducted for the Sperry Gyroscope Company. Before this company began advertising in every other issue of a weekly business magazine, 1,000 subscribers of the magazine were mailed questionnaires and asked to check from a list of products those which they believed were manufactured by Sperry.

Seven months later, after 16 ads had been run, a second survey was conducted among a different, but comparable, list of subscribers. The increase in average recognition for all products combined was 10 per cent, even though product recognition had been high before Sperry began advertising.

Twelve months later, after a total of 40 advertisements had appeared for Sperry, a third survey was conducted. Questionnaires were mailed to another list of 1,000 subscribers. The recognition of all Sperry products combined showed an increase of 26 per cent from the time the first survey was made.

The question asked was: "Which of these products do you definitely know are manufactured by the Sperry Gyroscope Company?" A check list of products manufactured by Sperry was provided.

For each of these surveys 1,000 questionnaires were sent out to subscribers. In the first survey, 31 per cent of the subscribers responded. On the second survey the response was 27 per cent, and 29 per cent of the questionnaires were returned from the third survey. The surveys were conducted during 1948 and 1949.

Continuous Advertising More Than Doubled Theme Recollection. The Westinghouse Electric Corporation ran a campaign in several industrial publications each month on the uses and value of their fluorescent lamps. The theme of the campaign, "see-ability," was mentioned in every advertisement.

How the Test Was Made. To test the effectiveness of this advertising, three mailings of 2,000 each were made to different but comparable lists of subscribers to three different magazines. The mailings were made at 8-month intervals.

The most recent advertisement in the campaign was enclosed in each mailing. All reference to Westinghouse was deleted. The theme of the campaign, "see-ability," and the balance of the copy and illustration were left intact.

The question the subscribers were asked was: "A lamp manufacturer's advertisements stressing 'see-ability' have appeared regularly in business and industrial publications. Can you recall this company's name?"

Results. Recollection of the Westinghouse "see-ability" theme more than doubled in the 16-month period.

Originally 27.5 per cent identified Westinghouse; 37.1 per cent on the second mailing; and 57.5 per cent on the third.

Several conclusions can be drawn from the results of this survey:

1. Subscribers of industrial publications read the ads.
2. Specific campaign themes are associated with the manufacturer who uses them.
3. As a campaign progresses, the degree of recognition increases measurably.

Product Advertising Increases Product Recognition. A New England company making a line of several industrial products wanted to test the value of its advertising. It made a survey to determine the degree of recognition each of its products achieved with men in industry.

A questionnaire was addressed to a cross section of 2,000 subscribers of a horizontal business publication. Each person receiving the questionnaire was asked to check, from a list of products, those which were made by the company. The questionnaires secured a 19.2 per cent response, and a survey was based on 383 replies to the following questions:

Which of the products listed below are:

Made by _____ company?

Not made by the _____ company?

For the various products listed which were actually made by the company, the degree of recognition ranged from Product A with 81 per cent recognition to Product E with only 5 per cent recognition. This showed no uniform level of recognition for the company's products; each product had achieved a different degree of recognition. The products on the list which were not manufactured by the company making the test had even less recognition.

The advertising space used for each product in 1948 was then compared with the recognition standing of each product. The high degree of correlation between them indicates that the products most heavily advertised are the ones best identified with the company.

This is a single case history. The correlation between advertising and recognition will not hold in all cases, due to the number and complexity of factors affecting a company's recognition.

EXPLORING NEW MARKETS

Exploring a New Potential Market. The metal scrap drive that started shortly after the Korean war flared up tied in perfectly with the Schield Bantam Company's decision to go after a new, untapped scrap market for its magnetic cranes. The company scheduled a two-third page ad in one publication only, *Waste Trade Journal*, and invested only \$2,000 in its initial appropriation.

A two-pronged ad theme—low price and high-speed mobility—hammered the sales message home. A number of different copy approaches were used during the campaign, but layouts were kept the same, thus establishing identity.

The bottom strip of each ad was also constant, including Bantam's rooster-shield trade-mark, the company name, and one of two ad slogans: "The thrifty machine with the big earning range" or "Costs less . . . goes anywhere fast . . . gives you more earning capacity."

The ads ran on a monthly schedule and the first stressed the two basic copy themes and quoted the price in big, bold type. By the fourth month, the company was able to run case-history type ads, reporting the experiences of the first Bantam users in the scrap-metal

field. One quoted a user who saved \$100 per day, another stressed performance, "Loads five tons in 15 minutes."

In case big operators chanced to think that the Bantam was good only for small jobs, one ad told the story of L. Lavetan & Sons Company, "the biggest scrap handler in Pennsylvania." The company also made a mailing of 8,000 to a selected list and sent out ad reprints with distributors' localized sales letters.

Within 10 months 137 "qualified" inquiries had been received; 11 were converted into orders and 37 remained prospects who "might buy later." The firm also reports that at least 90 per cent of the customers developed by this campaign were previously unknown to its distributors. The first year after the campaign another tabulation showed that each dollar invested in this "exploratory advertising" produced returns of \$95 in total sales from this new, untouched scrap market.

Increasing Product Position in an Exacting Market. Bussmann Manufacturing Company, St. Louis, Mo., long ago used advertising to introduce its Fusetron Dual Element Fuse and now gives advertising the job of helping the salesmen keep its market up to the size it should be.

Here's how it works: A *fuse* has only one reason for existing: to protect electrical wiring and equipment. The Fusetron Dual Element Fuse provides what the company calls "all-purpose protection."

Bussmann lists ten separate ways in which its product does its job of protecting wiring and equipment. Thus, the fuse has ten separate purposes and at the same time presents a marketing problem that logically looks for help from advertising.

Bussmann's problem is that there's always been a basic, well-known use for this special fuse. This is for protection of motors. It's easy for salesmen to sell a Fusetron Dual Element Fuse for this one purpose. But concentrating on only one application is cramping the limits of its potential market.

The objective for advertising here is to widen the market throughout all industry by keeping electrical men aware of all ten protective uses of Fusetrons. Here's how advertising does this for Bussmann:

1. Copy spotlights *one* protective use—a different one in each ad—but always lists the other nine uses.

2. Copy's basic appeal is to electrical engineers. Shows technical application. Speaks the "language."

3. Ads are dominant spreads in two colors.

4. Bussmann merchandises its fuse strongly among utility men because they are a strong selling force for fuses. When utility customers have shutdowns, the utility loses load.

In short, to make the most of its market, Bussmann must tell an involved, highly technical story to all industry men who are concerned with the utilization of electric power. There are a great many of them, far too many for Bussmann salesmen to educate by personal calls. So they do it with carefully written advertising in business papers serving the most men who are potential buyers.

MARKETS IN ADVERTISING

Concentration on a Single Market. The Ozalid Co. manufactures machines that can do important work for almost any business or industry. Ozalid's Streamliner, for example, can print a positive reproduction of an engineer's drawing or anything typed, drawn, printed, or photographed on translucent paper—and do it in 25 seconds. For the most part, the company's advertising is tailored to promote this wide use of its products. Copy did a realistic job of bringing the machines to life for men in business and industry via business papers. Inquiries were steady (600 to 700 per month) and Ozalid salesmen were able to concentrate their efforts on calls that counted most.

About 4 years ago, the company found that sales to the electric utilities—great users of plans, layouts, and charts—were running behind schedule. To rectify this condition, Ozalid supplemented its use of horizontal publications with the strongest paper serving the utilities industry. Successful results were almost immediate.

Says Ozalid: "If your product finds wide use in business or industry, and your advertising fits this 'horizontal' market by appealing broadly to management, you can still do profitable advertising by choosing your strongest 'vertical' markets and running your program in the strongest papers serving those markets."

STRATEGY REVISION

Using a New Sales and Advertising Theme. Truly effective sales and advertising themes—sometimes referred to broadly as "gimmicks"—

are extremely rare in all advertising. Possibly, they are even rarer in industrial advertising than in consumer advertising.

A few years ago the Wheelco Instruments Company began to use the word "instrumentality" with the "-mentality" part of the word italicized. At the same time many of their ads carried the word imprinted next to a logo-like silhouette of a man's head that created a symbolic link between the human brain and a Wheelco instrument.

This unusual device was aimed at increasing sales of three Wheelco products. All three were electronic devices: a strip chart recorder, Capaciline, a proportioning device for straight-line control, and Flameotrol, a combustion safeguard for oil- or gas-fired equipment. These devices measure and record temperature, speed, static, strain loads, voltage, amperage, and other electrically measurable factors.

The company scheduled 24 full-page business publication ads that covered a circulation of 477,948. Then 60 fractional-page ads were scheduled for business publications with a combined circulation of 1,736,192.

Next, Wheelco worked up a string of cartoons that illustrated the dire results of operating without proper electronic controls. The humor was grim and sometimes macabre, but it carried the message with a good-natured punch and much ribbing of the executives who looked the other way until the roofs of their plants took to the skies. These cartoons appeared in magazines, on blotters distributed by the company, and were often used in direct mailings that reached nearly 50,000 persons.

By direct mail, prospects received catalogues, sales literature, and other miscellaneous promotional material. The Wheelco external house magazine *Comments* is issued monthly and carries illustrated case studies of Wheelco installations.

The campaign drew 5,800 inquiries and a sales increase of 69.5 per cent contrasted to an industry-wide gain of only 43 per cent. This represents a gain of more than 4½ times the dollar volume originally established as a goal. Wheelco reckons it got \$44.53 worth of sales for every advertising dollar spent.

The "instrumentality" theme has caught on, and the company expects it will continue to pay big dividends in addition to increasing the prestige of the company and its products in the industries it serves.

Improved Copy Increased Advertising Results 600 Per Cent. Through more effective use of advertising space the Cramer-Krasselt Co., a Milwaukee advertising agency, secured for one of its clients a measurably greater return for its advertising.

The company sells a line of equipment used in a broad range of manufacturing operations, as well as for original equipment on many mechanical products. This presents a complex merchandising problem.

The program suggested to the manufacturer by the agency involved these changes:

1. Addition of color and bleed to their advertisements.
2. Headlines, text, and illustrations to be made more sharply specific about the product, instead of a mere institutional approach.
3. No arbitrary limit set to length of copy. The object was to tell the full story.
4. Layouts and logotypes standardized so that the ads became easily associated with the manufacturer.

Media Used. The company marketed several major and minor lines so that it was desirable to utilize full pages, half pages, and quarter pages to cover all products according to their relative importance. It was also necessary to reach individuals with different functions. This required using several different types of magazines.

The previous media list was retained almost intact and because of this, both the agency and client agree that the improvement in results was due to changes made in the advertisements themselves.

Addition of Bleed and Color. Color and bleed increased the space cost by approximately 40 per cent, but the immediate increase in inquiries was 250 per cent.

In McGraw-Hill Laboratory of Advertising Performance data sheets, it has been found that the addition of color increases average effectiveness about 25 per cent and that bleed increases the average effectiveness about 17 per cent. These figures for color and bleed are an average of studies made on four publications.

Distinctive Layouts. Layouts of the new-type advertisements were given a distinctive character which ran throughout the entire series. This permitted quick identification, and an easy-to-read logotype was developed to further assist in establishing ready recognition.

Headlines, Copy, and Illustrations Changed from Institutional to Informative. The subject matter of previous advertising had often been very general in tone. In many cases, the main illustrations were extraneous—apparently inserted in the hope that they would attract attention, even though connection with the product was remote. Copy and headlines contained nothing of real value to the engineer reader. The new series of advertisements were designed with the basic purpose of supplying useful information to the reader.

Case History Type of Copy. To present timely engineering news, the tried and true performance story was used. The agency sent field engineers out with photographers to visit plants that used the client's products to obtain pictures of the product in use. They also questioned plant engineers to obtain copy themes.

Specific Headlines. The old type of headline contained nothing of real news and attention-getting value for an engineer. The new headlines were specific, informative, and newsy. An example:

ELBOW-SHAPED PART LOADED, CHUCKED ON CENTER AND
UNLOADED IN 2.4 SEC.

6 HYDRAULIC MOVEMENTS CONTROLLED BY 2 STANDARD VALVES.

Informative Illustrations and Copy. Wherever possible, a cutaway photograph, a circuit diagram, or a tooling drawing was used to illustrate the text.

No arbitrary limit was set on the length of the copy. Although concise in style, the text was written to any length necessary to tell the complete engineering story. Product advantages were described and interpreted from the viewpoint of the reader instead of uninspired listings of construction details.

Thus, the statement "Balanced Piston Type Valves" was interpreted and transformed to read:

Effortless Operation—The balanced construction of these valves places identical pressure on both ends of the piston. Thus the valve does not operate against line pressure, and effortless control is provided at any operating pressure within its range.

Other Factors Included in New Ads. Because the manufacturer's equipment was fairly complicated the advertisements included the offer to answer engineering problems the readers might have. In

addition, all ads contained a small catalogue illustration with an invitation to the reader to write for the literature. No coupon was employed.

Salesmen Are Asked to Criticize. When the Yale & Towne Mfg. Co. planned the 1952 advertising campaign for its Philadelphia division (maker of a score of trucks and hoists), it followed the same basic pattern used in 1951 which produced a phenomenal sales gain of 80 per cent.

Not satisfied, four regional sales meetings were held to get some first-hand criticism from the men who actually sell the company's products. The salesmen had ideas and when the smoke had cleared away, the division restated its objectives in a three-part strategy.

1. To sell the concept and benefits of materials handling.
2. To sell Yale and Towne as the leader in the industry.
3. To sell features, service, "know-how" benefits, and quality.

The copy theme was revised and media selections reviewed. A separate campaign was worked out for general business papers, beamed at top management, and since it seemed to be better adapted to black-and-white anyway, the company saved considerable money (previous ads used color). Frequency was increased and gave the division the largest general magazine schedule in its history and possibly the largest in the industry.

Meanwhile, the campaign in some 30 horizontal and vertical trade papers has in no way been diminished. Here, the company assumes that the readers are familiar with materials-handling equipment, and it is continuing its pitch for specific product features.

Advertising Manager James A. Shellenberger calls the concept of materials handling and its benefits to industry "the last frontier for cutting costs. When it is completely envisioned, *then* will be the time to start talking strictly product features."

INDUSTRIAL ADVERTISING AS A MERCHANDISING TOOL

An Old Company Becomes Advertising and Merchandising Conscious. In the first 6 months of a new advertising and promotion campaign, 19 new distributors and 28 new retailers decided they wanted to sell rope manufactured by the New Bedford Cordage Company. In a

little more than a year, business increases caused the company to revamp its plant and install new machinery.

This was all the result of a simple device, and alert selling and advertising of it. The device that New Bedford says no rope maker ever used before is premeasured rope, marked in red at 10-foot intervals, in attractive self-dispensing cartons.

In the fall of 1949 two market analyses were made and when the company was satisfied it knew where the potential business was, it set out to get it. The sales objectives were simple: to merchandise the complete plan to distributors and dealers, and to sell customers on the advantages of New Bedford's rope.

The company was never very advertising conscious; it simply sold rope as such, building its few ads around the rope's features. It scheduled only half-pages in four or five business publications. However, when it changed its thinking, New Bedford went "whole hog." It increased its 6-month advertising appropriation 400 per cent and established a campaign that broke down into four parts: publications, dealer aids, direct mail, and publicity.

Publication advertising led the way, running in two separate groups of magazines. The first was four one-page ads for dealers in the hardware, farm implement, and mill supply fields, featuring the merchandising advantages offered only by New Bedford.

The second group of publications was directed to consumers in the farm, oil, marine, fishing, and general industrial markets.

Then the company sent giant telegram facsimiles to 12,000 distributors and dealers reading: "Something new has definitely been added to rope!" "Most revolutionary merchandising ideas ever developed to boost rope sales coming your way . . . week from today!" It followed up with a 16-page portfolio, sales letters, and reply cards to distributors, while 11,000 dealers were barraged with broadsides and reply cards. Other sales aids were matches, circulars, window displays, sample boards, electros, and display stands.

The company does not care to cite campaign results, but the advertising budget for 1951 was 20 per cent over the previous year for color pages and more direct mail.

Merchandising. The Edwin F. Guth Co., St. Louis lighting equipment manufacturer, has given a straight merchandising job to part of its

advertising program, which presents an interesting picture. Guth built a successful, hard-working program around one central figure: the utility lighting department.

The utility lighting engineer holds the confidence of the men who buy lighting. He is thoroughly trained in creating, installing, and maintaining planned lighting. He is conveniently located, quickly available for help and advice on any lighting job. He has no ax to grind on brands or types of equipment. He has most at stake in making the best installation and getting the best performance out of any lighting job.

In short, these engineers, with the utility lighting salesmen, are the strongest selling force behind progress in lighting. Part of Guth's advertising program is aimed at utilizing this force to the greatest possible degree.

Guth runs consistent advertising in the business papers serving the utilities to show the lighting engineers and lighting salesmen how Guth helps them in their jobs of selling. In these ads, Guth offers convenient analysis forms for the lighting engineer to use in preparing and submitting layouts and recommendations for planned lighting. The ads also show that Guth makes available a rapid lighting calculator, a planned lighting layout guide, and complete data on all Guth products—in a catalogue file and a pocket catalogue. Guth also points out that the company sponsors a separate national advertising program directing readers to see their local utility engineer for planned lighting help.

A total of 268 lighting engineers asked for the rapid calculator after Guth's first ad. Another 438 asked for the planned lighting layout guide. Since then, thousands more requests have been flowing in, plus a good many hundred letters praising these tools. Sales reflect a lusty growth.

Experience has shown Guth that the best merchandising is to provide tools of real helpfulness for the men who are the strongest selling forces behind better lighting. To put these tools to work, Guth shows them to utility lighting engineers and lighting salesmen in their strongest business papers.

MISCELLANEOUS CASE HISTORIES

Selling a Base Material to an End User. The International Nickel Co., Inc., is one of those big manufacturers of base products that decided

it must get the end user to know its products. The ideal way, of course, is to put a sample into every person's hand so he can feel it, see it, put it to work, and judge its merits for himself. Such actual sampling is nearly always too expensive to be practical and after years of searching for a method that would pay for itself, INCO hit on the idea of using a Monel trolling line (a metal line used for deep-water fishing) as an example of the properties of nickel.

Research showed that there are more than 30 million fishermen in the United States and that a good many of them are probably employed in industry. By showing these fishermen how a quality metal—Monel—could solve a problem, INCO felt it would gain industry acceptance of this product.

The decision to sell to and through fishermen was good for another reason, for Monel solves another old fisherman's problem. Because of its heavier weight, Monel will sink to greater depths where game fish retreat and will not leave belly-slack like a linen line. Unlike other metal lines, its high tensile strength allows a thinner, more flexible line that never needs rinsing.

The nucleus of the promotion was the preparation of a 40-page handbook, "How to Catch Fish When They're Not Biting." The book explained how to use Monel line, and the back cover got in a good plug for nickel as "Your Unseen Friend." It asked if Monel didn't suggest an idea for "some other metal problem that has been puzzling you in your business."

The ad campaign scheduled full-page insertions in 55 newspapers and in 13 national consumer magazines. All ads offered the booklet and a total of slightly more than 30,000 requests were received from a readership estimated at 35 million.

A series of fractional-page ads was run in sports magazines with the copy theme built mainly around winners of an INCO wire-line contest promoted through sporting goods dealers. Fish caught on any wire line were eligible, but copy stressed that 18 out of 20 winners in the previous year's contest used Monel.

In addition to heavy play in its external house organs and dealer papers, INCO ran its regular ads in a group of industrial design magazines. Direct mail consisted of a pocket guide, and a point-of-purchase counter card was displayed by dealers which offered copies of "How to Catch Fish." Requests for the booklet from counter lists and advertising totaled over 86,000 within months.

The publicity program brought editorial coverage from all over the country, and one press release alone prompted 2,758 requests for the booklet from fishing editors. Prior to the campaign, only a handful of fishermen had heard of Monel line and these were concentrated in the northern lakes region.

Sales of Monel skyrocketed in the first year of the campaign and, as anticipated, when the sale of the advertised product increased, so did the sale of all INCO nickel alloys for other sporting-goods applications.

Creating a New Medium. Every now and then, a company discovers a whole new advertising approach that has gone unnoticed for many years. This was the case of the Rheem Mfg. Co., makers of steel containers.

Just last year, the company was able to hand its salesmen a new order-getting presentation that tells a twofold and vastly interesting story about Rheemcote steel drums. First, the story concerns an important product improvement and, second, of interest to advertisers, offers a revolutionary method of turning large-size containers into colorful traveling billboards.

For 26 years the company has manufactured steel containers. In 1950 it retained its place as the leading manufacturer in the field by rolling out 10 million drums. Like all container fabricators, Rheem used the only existent method of coating, and decorating, large drums. This consisted of placing the already formed container on its side, spraying the inside, and then the outside while the drum rotated on its swedges. The paint was always applied horizontally. After the outer coat was applied, trade-marks or advertising messages could be applied by stenciling or in the form of a decal.

This method had its drawbacks. It was time-consuming, it produced uneven results, and it allowed little room for complicated designs.

Rheem knew that this problem did not exist with small-sized containers since the small metal sheet could be put through lithographic presses and could be coated and decorated simultaneously. But no press, nor oven, existed which could handle the 3- by 6-foot 18-gauge steel sheets of which 55-gallon drums are made.

Several years ago, Rheem developed and produced giant presses

which could lithograph large sheets of steel. The result is the Rheemcote drum, which can be decorated with the most complicated designs and can even carry halftone reproductions.

This process is significant from a product-improvement angle because it permits more even all-over protection. Since the sheets go through baking ovens, a more lasting finish results.

The new process speeds up production by about 50 per cent and even greater economy is expected in the long run. Tests have been conducted that have established the new means of advertising as a sound principle.

Rheem figured that the only sure way to determine the impact of the new advertising was to have a survey conducted. Richard Manville Research used Mid-Continental Petroleum Corp. as its guinea pig. From Terre Haute, 540 drums of oil were followed from plant to their ultimate destination and all sorts of audience measurements were made. The results of the study form the basis for Rheem's current presentation to sales managers and advertising managers.

A highlight of the survey is: In the one month during which the survey was made, the 540 drums made 428,839 impressions, were seen by farmers, miners, customers in service stations, and others.

Eventually, all containers from Rheem will be produced by this Rheemcote method.

Number of Inquiries Varies with the Type of Inquiry-Pulling Device in the Ad. Waldes-Kohinoor, Inc., manufacturer of Truarc retaining rings, ran advertisements in the same number of business papers each month during 1946. Their advertisements were informative about the uses of their product. They also encouraged readers to write for further information about the product and for a free booklet.

The company had varying degrees of success with different types of inquiry-pulling devices. In the first 3 months of the campaign their offer to send "samples and complete data on the products" was buried in the copy. Relatively few inquiries resulted. For the next 3 months the ads included the word "Free" and a separate paragraph describing the booklet. The number of inquiries increased considerably. In the seventh month they added a coupon and the number of inquiries increased even more.

This showed that the number of inquiries depended, to a large extent, on the devices used to stimulate them.

No Sick and Tired Look. Advertising in a defense economy has presented many problems to many companies. One of those that successfully hurdled the tiresome stereotyped ads that have been so common in business papers is the Reading Tube Corporation.

The company had turned a large part of its production over to defense orders, but it has scheduled a continuing series of industrial advertisements in an expanded list of trade publications which tells its customers that it still has good service and quality products even though its delivery time has been slowed down.

Its budget in 1951 was nearly twice that of 1950. The ads featured snappy cartoons, short copy, and steered away from technical discussions. The company plans to put the 12-month collection into portfolio form for display and selling purposes.

A Company Overhauls Its Advertising Philosophy. The Binks Manufacturing Company makes equipment used for all kinds of spray finishes. For more than half a century the company has been one of the leaders in its field, but until 5 years ago, it was an in-and-out advertiser, inclined to use splurges of directory copy, direct mail, or convention exhibits.

For the past 5 years, the company has used a carefully planned schedule in 23 business publications aimed at engineering, buying, and production levels. During this time the media list has remained largely unchanged, but the budget has increased about 40 per cent, reflecting Binks' striking change of heart about advertising.

How Small Ads Bring Big Dollar Returns. It is not always necessary to run big space in order to make industrial advertising a profitable investment. A manufacturer of electrical instruments ran fractional-page ads (one-third and one-sixth pages) which appeared in the back pages of the leading business paper in his field.

He ran a total of seven advertisements at a total space cost of \$683.33. A total of 106 orders directly traceable to the advertisement brought in \$3,021, or a return of \$4.42 in sales for each advertising dollar. This manufacturer's experience would indicate that:

1. Records of sales traceable to advertising show this advertisement more than paid for itself.
2. Advertisements in the "~~back of file book~~" attract readership and will produce sales.

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